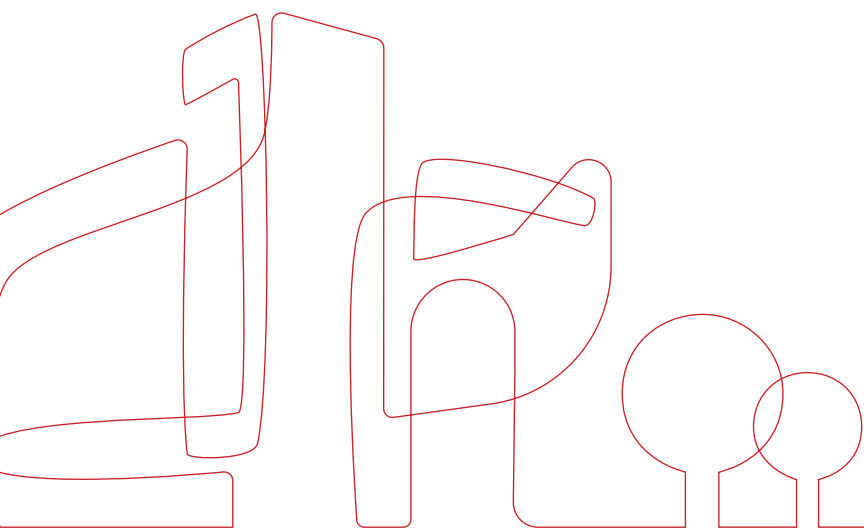




Samhällsbyggnadsbolaget



SAMHÄLLSBYGGNADSBOLAGET I NORDEN AB (PUBL)



Q3

JANUARY-SEPTEMBER 2023

Summary of period

First nine months

The period in brief, continuing operations

- Rental income amounted to SEK 3,512m (4,056).
- The operating surplus amounted to SEK 2,496m (2,831).
- Profit from property management, excluding exchange rate differences, amounted to SEK 1,272m (2,261).
- Cash flow from operating activities before changes in working capital was SEK 806m (1,791).
- The profit before tax amounted to SEK -17,357m (-2,800), of which:
 - The profit before financial items, value changes in properties and goodwill are included in the amount of SEK 1,873m (2,129). The profit includes acquisition and restructuring costs of SEK -39m (-96).
 - Changes in property value are included in the amount of SEK -10,493m (-1,191).
 - Profit from joint ventures and associated companies is included in the amount of SEK -4,362m (-487).
 - Financial items amounted to SEK -2,085m (-1,906), of which costs for early redemption of loans are included in the amount of SEK -113m (-5) and exchange rate gains/losses in the amount of SEK -1,168m (-1,411).
 - Changes in the values of financial instruments are included in the amount of SEK -2,085m (-1,155).
- The profit for the year amounted to SEK -15,536m (-2,963) after the deduction of deferred tax of SEK 2,303m (-44) and current tax of SEK -482m (-208), corresponding to a loss per Class A and B ordinary share of SEK -11.47 (-2.41) before dilution.
- The profit for the year including the assets held for sale amounted to SEK -18,559m (-1,861), corresponding to a profit per Class A and B ordinary share of SEK -13.55 (-1.65) before dilution.

- The value of the property portfolio (including investment properties reported as assets held for sale) amounted to SEK 118,3bn (154,5).
- The long-term net asset value (EPRA NRV) was SEK 21,452m (58,269), corresponding to SEK 14.75 (40.07) per share before dilution.

Significant events during the third quarter

- On 16 August, SBB Residential Properties AB issued preference shares for about SEK 2,36bn to an investment fund managed by Morgan Stanley Real Estate Investing ("MSREI"). Following the issue, SBB Residential Properties AB is reported as shares in associated companies/joint ventures.
- On 18 August, SBB's CFO Eva-Lotta Stridh chose to terminate her employment with the company. She was replaced by Daniel Tellberg, who took over as CFO on 30 August.
- On 20 September, Head of Finance, Rosel Ragnarson retired. She was replaced by Helena Lindahl, who became Finance Director.
- On 24 September, SBB entered an agreement to sell 1.16 percent of SBB EduCo AB ("EduCo") to Brookfield Super-Core Infrastructure Partners ("Brookfield") for SEK 242m. EduCo will repay parts of its loan from SBB, meaning that SBB will raise cash proceeds of about SEK 8bn. The transaction is subject to customary completion conditions, with competition approvals having been obtained, as was communicated on 1 November. Following the completion of the divestment, EduCo will no longer be consolidated into SBB's accounts.
- In the third quarter, SBB conducted a number of property transactions in Sweden:
 - On 7 July, properties were sold to municipal company Gävlegårdarna for SEK 46m.
 - On 11 July, the property Tillbringaren 2 in Nykvarn was sold at an underlying property value of SEK 221m, to community housing company AB Nykvarnbostäder AB.
 - On 21 July, an agreement was entered into regarding the sale of properties for SEK 104m to the Municipality of Höganäs.

- On 29 August, SBB entered into an agreement to sell a property including Nykvarn town hall and residential units to the Municipality of Nykvarn for SEK 191m.

- On 26 September, a hospital property in Norway was sold, as well as an adjacent, partly-owned development plot to the tenant, the Diakonissehuset Lovisenberg Foundation. The sales price was NOK 2,815m.
- On 29 May 2023, SBB's Board of Directors initiated a strategic review to maximize value for SBB's shareholders. On 24 September, SBB presented a new group structure that decentralizes the company through the establishment of wholly-owned and partly-owned business units. This concluded the strategic review. The Group came to comprise three business units: Residential, Community and Education. The decentralized Group structure improves transparency and financing opportunities.

Significant events after the end of the quarter

- On 5 October, Valerum AB (publ) cancelled its payment of coupons on an outstanding secured bond guaranteed by SBB. During the current quarter, SBB will therefore meet its commitment to repurchase the Valerum bonds as defined in the terms and conditions. SBB's total commitment is SEK 280m. SBB will in connection with the repurchase of the bond take over the securities that Valerum has pledged under the bond.
- SBB has received a claim from a bondholder regarding Eurobonds under the EMTN program. The bondholder, who holds approximately one percent of the total outstanding bond loans, has sent an acceleration notice and claims that SBB has violated the interest coverage ratio in the EMTN-program. SBB refutes the accusations and deem the claim from the Eurobond holder to be groundless.

SEK 118,3BN

Property value
30 September 2023

SEK 3,512M

Rental income
January-September 2023

SEK -15,536M

Profit for the period
January-September 2023

SEK 806M

Cash flow from operating activities
January-September 2023

SEK -11.47 /SHARE

Earnings per share
30 September 2023

2.29%

Average interest rate
30 September 2023

SBB key ratios

	01-01-2023 30-09-2023	01-01-2022 30-09-2022	01-07-2023 30-09-2023	01-07-2022 30-09-2022	01-01-2022 31-12-2022
Property-related key ratios					
Market value of properties, SEKm ²⁾	118,290	154,511	118,290	154,511	135,616
Number of properties ²⁾	1,833	2,317	1,833	2,317	2,050
Number of m ² , thousand ²⁾	4,392	5,346	4,392	5,346	4,627
Surplus ratio, % ¹⁾²⁾	76	74	81	78	72
Yield, % ¹⁾²⁾	4.7	3.8	4.7	3.8	4.3
Economic letting ratio, %	96.3	95.2	96.3	95.2	95.3
Average lease term, Community Service / Education, years	10	11	10	11	10
Financial key ratios					
Rental income, SEKm	3,512	4,056	1,195	1,364	5,365
Net operating income, SEKm ¹⁾	2,496	2,831	927	1,017	3,615
Profit for the period, SEKm	-15,536	-2,963	-2,473	-2,099	-10,361
Cash flow from operating activities before changes in working capital, SEKm ³⁾	806	1,791	276	645	2,331
Equity attributable to Parent Company shareholders, SEKm	21,145	57,131	21,145	57,131	44,319
Return on equity, %	-33	-2	-9	-3	-13
Loan-to-value ratio, % ²⁾	53	48	53	48	50
Secured loan-to-value ratio, % ²⁾	19	19	19	19	21
Equity/assets ratio, % ²⁾	36	40	36	40	38
Adjusted equity ratio, % ²⁾	40	45	40	45	42
Non-pledged quota, multiple ¹⁾²⁾	1.76	2.80	1.76	2.80	2.24
Interest coverage ratio, multiple ¹⁾²⁾	2.6	4.8	2.6	4.8	3.9
Share-related key ratios					
Current net asset value (EPRA NTA), SEKm	17,882	50,460	17,882	50,460	40,260
Actual net asset value (EPRA NTA), SEK/share	12.29	34.70	12.29	34.70	27.69
Actual net asset value (EPRA NTA) after dilution, SEK/share	12.29	34.69	12.29	34.69	27.68
Long-term net asset value (EPRA NRV), SEKm	21,452	58,269	21,452	58,269	45,531
Long-term net asset value (EPRA NRV), SEK/share	14.75	40.07	14.75	40.07	31.31
Long-term net asset value (EPRA NRV) after dilution, SEK/share	14.75	40.06	14.75	40.06	31.30
EPRA Earnings (Company-specific), SEKm ¹⁾	-243	316	743	-24	443
EPRA Earnings (EPS) (Company-specific), SEK/share ¹⁾	-0.17	0.22	0.51	-0.02	0.30
EPRA earnings after dilution (EPS diluted) (company-specific), SEK/share ¹⁾	-0.17	0.22	0.51	-0.02	0.30
EPRA Vacancy rate	3.7	4.8	3.7	4.8	4.7
Earnings per series A and B ordinary share, SEK ²⁾	-13.55	-1.65	-3.37	-1.53	-7.23
Earnings per Class D ordinary share, SEK ²⁾	1.50	1.50	0.50	0.50	2.00
Average number of Class A and B ordinary shares	1,454,254,329	1,453,757,283	1,454,310,545	1,454,141,898	1,453,854,227
Average number of Class D ordinary shares	193,865,905	193,865,905	193,865,905	193,865,905	193,865,905
Number of Class A and B ordinary shares	1,454,615,648	1,454,141,898	1,454,615,648	1,454,141,898	1,454,141,898
Number of Class D ordinary shares	193,865,905	193,865,905	193,865,905	193,865,905	193,865,905

1) The definition has been changed and the comparative figures have been recalculated. See all definitions and calculations on pages 27-32.

2) Key ratios encompass the Group, including discontinued operations

3) Cash flow from operating activities before changes in working capital, continuing operations

4) Including discontinued operations

CEO Leiv Synnes

SBB owns residential in Sweden and premises for publicly funded social infrastructure in the Nordic region.

Division into the business areas of Education, Community, Residential

SBB has successfully and strategically built up its unique property portfolio. During the quarter, a clear division into three business areas was implemented aimed to facilitate governance, increase transparency and improve the conditions for raising capital. This division also entails a specialization within each business area, providing conditions for increased profitability within each segment over time.

Education owned jointly with Brookfield

SBB's education operations encompass properties of SEK 42.7bn with an average remaining lease term of 13 years. Over the first nine months of the year, net operating income rose by 9.4 percent for comparable portfolios.

SBB has agreed to divest a further percentage of EduCo, which holds educational properties, to Brookfield Super-Core Infrastructure Partners, such that SBB will subsequently hold slightly less than 50 percent. Brookfield is one of the world's largest and most competent infrastructure investors. Through the transaction, EduCo achieves a financial position enabling an investment grade credit rating, while raising some SEK 8bn in additional liquidity for SBB. EduCo will repay all loans from Nordic banks as more attractive terms can be obtained via other sources, such as through the US capital market.

Together, SBB and Brookfield will build on the unique platform of educational properties that SBB has created.

SBB's transaction with Brookfield results in that EduCo in SBB's income statement will be reported as discontinued operations due to deconsolidation of SBB's segment Education. This will be illustrated in the table down below. Henceforth profit from property management will decrease, along with the interest and debt costs. During a normal year, the profit from joint ventures/associated companies will increase for SBB and the share of the result that will be allocated to the minority will decrease. It is a complex transaction, but the final product is that earnings per share will remain the same excluding the strategic and financial gains the change creates.

New partners are planned for Sveafastigheter, SBB's residential platform

For a long time, reasonably priced residential have been in short supply in Sweden and there are no political signals that this relationship will change within the foreseeable future. On the contrary, the shortage will probably increase due to population growth and as new productions of rent-regulated residential are increasingly postponed due to the situation with increased costs in new production. Accordingly, we still see substantial demand for our rent-regulated residential and little risk of increasing vacancies.

The Residential portfolio amounts to SEK 29.4 billion. Net operating income for SBB's residential increased by 13.6 percent for comparable portfolios over the period. The regulated rent level normally lags behind strong

inflationary increases, with rents normally rising more than inflation over extended time series.

Recruitment of management is in progress for Sveafastigheter, which will hold SBB's total stocks of residential. Sveafastigheter will move to new premises in December.

Accordingly, the new Sveafastigheter will be a unique platform for developing and managing rent-regulated residential in Sweden. To be able to raise capital beneficially on its own merits, the intention is for Sveafastigheter to receive an external equity contribution in 2024. In connection with this, SBB's financial position is also strengthened, enabling a reduction of SBB's debt and its exposure to current funding sources.

Company structuring of community properties

The Community business area encompasses a portfolio with public tenants in areas including elderly care units, government infrastructure and healthcare facilities. The portfolio is valued at SEK 46.2bn and has an average lease term of seven years. For comparable portfolios, growth in net operating income amounted to 12.1 percent over the period and the occupancy rate was 96 percent.

SBB is involved in several discussions regarding sales of properties to existing tenants. An example of this is the sale of a hospital in Norway for NOK 2,815m, where a total NOK 1,700m was invested in the property. The process from construction to sales thereby generated NOK 1,115m in cash flow. This is an example where SBB profitably developed social infrastructure.

Long term, SBB expect favourable conditions for further investment in the business area. The demand and need for community service properties in the Nordics will increase and SBB has both the expertise and the building rights for future development of cash flow properties

Net operating income for comparable portfolios increased by 12.5 percent

SBB's earnings capacity is gradually improving and offers low downside risk, regardless of economic circumstances. This is an important and stabilizing factor. For comparable portfolios, rental income increased by 9.5 percent compared with the corresponding period in the preceding year. The economic letting ratio continued to increase and amounted to 96.3 percent (95.2) with the vacancy rate of 3.7 percent being predominantly due to planned projects.

The general price increases will continue to have a positive impact on income.

Net operating income decreases overall and so does operating profit from associated companies/JV. This is due to SBB selling properties to reduce the indebtedness.

Amounts in SEKm	2023-01-01–2023-09-30			2022-01-01–2022-09-30		
	Continued operations	EduCo, Discontinued operations	SBB Total	Continued operations	EduCo, Discontinued operations	SBB Total
Rental income	3,512	1,753	5,265	4,056	1,542	5,597
Property costs	-1,016	-265	-1,281	-1,225	-249	-1,473
Net operating income	2,496	1,488	3,984	2,831	1,293	4,124
Administration incl. acquisition and restructuring costs	-623	-189	-812	-702	-61	-764
Resultat before financial items, value change properties and goodwill	1,873	1,299	3,172	2,129	1,232	3,360
Value change properties and goodwill	-10,698	-4,642	-15,340	-1,381	210	-1,171
Operating profit	-8,825	-3,343	-12,168	748	1,442	2,189
Results from associated companies/JV	-4,362	-	-4,362	-487	-	-487
<i>of which property management</i>	491	-	491	627	-	627
Net interest	-799	-475	-1,274	-475	-343	-818
Financial items	-3,371	-4	-3,375	-2,585	-3	-2,588
Tax for the year	1,821	799	2,620	-164	7	-157
Profit for the period	-15,536	-3,022	-18,559	-2,963	1,103	-1,861

Value change, properties – 8.9 percent

Value changes include general rent development, re-negotiations of existing agreements and newly signed leases generating higher net operating income which contributed positively to unrealized value changes. The negative change in value is explained by higher yield requirements. During the period, the property portfolio experienced a negative change in value of 8.9 percent, of which 2.7 percentage points were attributable to the third quarter.

Over the past 18 months, SBB's average yield requirements increased from 4.35 percent to 5.22 percent, at the same time as the consumer price index rose by 18 percent, meaning that the real decline in value for SBB's fully indexed properties can be estimated at 31 percent during this period.

Hopefully, we are at the end of the correction in market prices brought about by higher market interest rates. Interest rates rise and fall, while indexed rents usually only rise. Over a slightly longer time perspective than the next quarter, it is possible to take a confident view of the value trend for SBB's property portfolio. Over extended time series, the value trend for SBB's properties will continue to exceed inflation.

A larger proportion of equity is needed

SBB will continue to adapt to higher interest rates by reducing the share of debt and increasing the share of risk capital.

Over the past 15 months, SBB has been actively selling properties for SEK 8,4bn and shares in part-owned companies.

Over the past 15 months, SBB has also raised SEK 2,36bn in risk capital in a new joint venture. On the whole, SBB has decreased its interest-bearing liabilities by SEK 20,377bn over the past 15 months.

SBB will maintain a cautious stance on share dividends and coupon payments on hybrid bonds until the financial position has improved. The exception is the dividend approved by the Annual General Meeting.

Strong liquidity necessary

Negative speculations on SBB's future has weakened the company's financing possibilities during the year, in turn affecting the compa-

ny's liquidity. This has, in turn, contributed significantly to lowered credit ratings.

To eliminate significant uncertainty factors that may lead to significant doubt about the company's capacity to finance the operations, a number of liquidity-strengthening processes have been initiated, some of which have already been completed. SBB is dependent on the refinancing of the company's education operations being completed, with the company thus receiving SEK 8bn.

The major actions planned by SBB aim to strengthen the company's financial position, reduce dependence on individual sources of capital and create optimal financing opportunities. The work will continue until the company regains a reasonable level of financial risk. An objective measure of reasonable risk is an investment grade credit rating.

Average interest rate of 2.29 percent

On average, SBB's senior debt, excluding preference shares and hybrid bonds, carry an interest expense of 2.29 percent (1.89) with an average interest maturity of 3.1 years (3.4). On average, the bond loans mature over 3.8 years at an interest rate of 2.43 percent. SBB reduces the effect of a higher interest rate by reducing the need for new loans or the refinancing of existing loans. This is done by selling properties and by injecting equity.

No vacancy risk in projects

Over the past 12 months, the number of apartments in production decreased from 3,752 to 2,219. SBB's new production currently contracted and in progress requires SEK 1,782m

in investment, continuing through 2025, of which more than half of the capital has been financed externally. The contribution from net operating income will be SEK 274m or 15.4 percent of the remaining investment. It is worth pointing out that we have no vacancy risk in the project portfolio as all of the community service properties are fully leased with index adjustment. Zoning plans including residential and community properties for a total of about 100,000 m² GFA are expected to be legally effective in the upcoming quarters. The value generated in new projects will not be realized until the circumstances have improved.

Sustainability in focus

SBB has continued to work on the energy efficiency of the property portfolio. During the quarter, 22 projects were completed, reducing both energy consumption and climate impact. The energy projects form a central element of the efforts to achieve the long-term sustainability targets, they will contribute to climate adjustment while reducing the company's exposure to high energy prices.

During the period, certifications of 34 properties were completed, corresponding to 4.3 percent of the property portfolio's total market value. To become certified, a building undergoes a thorough quality control of its characteristics and performance – this includes checking the choice of materials, the presence of hazardous substances, the buildings indoor environment and energy performance.

Outlook

Rent-regulated residentials and properties with long lease terms with the public sector are holding up well even though the economy continues to slow down. SBB is continuing to benefit from increasing rent levels and occupancy rates that will remain high during coming years.

Our personnel is delivering good results, with property-related key ratios showing their strength. Occupancy rates and rent levels are increasing, for example, generating a good surplus ratio.

SBB needs to continue adapting the business based on challenging financial markets. It is largely a matter of lowering the debt level and reducing the dependence on individual funding sources.

SBB's historical transactions show an ability to adapt the business to new conditions.

Leiv Synnes
CEO



During the quarter, a clear division into three business areas was implemented facilitating governance, increasing transparency and improving the conditions for raising capital.

Samhällsbyggnadsbolaget i Norden

SBB was founded in 2016 with the vision of building the best European property company for social infrastructure. The company has a decentralized Group structure with three focused business areas: Residential, Community and Education. SBB operates in Sweden, Norway, Finland and Denmark – countries with strong credit ratings and favourable population growth. SBB's property portfolio is characterized by a high occupancy rate and long lease contracts.

Property portfolio as of 30 September 2023

Classification	Property value, SEKm	Share of total, %	Rental income, SEKm
Rental apartments	24,783	21.0%	1,308
Building rights and project properties	4,573	3.9%	--
Total, Residential	29,356	24.8%	1,308
Elderly care units	14,415	11.6%	876
Central government infrastructure and town halls	7,909	6.4%	444
LSS	7,645	6.1%	472
Hospitals and health centres	4,928	4.0%	381
Public offices	3,754	3.0%	321
Other	1,489	1.2%	104
Building rights and project properties	6,055	4.9%	234
Total, Community Service	46,195	39.1%	2,832
Preschool	19,879	16.0%	959
Compulsory/upper-secondary school	16,248	13.1%	999
University	6,264	5.0%	393
Building rights and project properties	349	0.3%	6
Total, Education	42,739	36.1%	2,358
Total 1)	118,290	100.0%	6,498

1) Includes investment properties reported under assets held for sale of SEK 42,092m.

Share of Joint Ventures and associated companies as of 30 September 2023

Classification	Outgoing carrying amount of holdings, SEKm	Share of total, %
Significant holdings, Residential	5,346	59.4%
Other holdings, Residential	1,604	17.8%
Total, Residential	6,950	77.2%
Significant holdings, Community	1,486	16.5%
Other holdings, Community	564	6.3%
Total, Community	2,050	22.8%
Significant holdings, Education	-	-
Other holdings, Education	-	-
Total, Education	-	-
Other	-	-
Total	9,000	100%

Property value, by country

SEK **19.9** BN
Property value
NORWAY

SEK **10.4** BN
Property value
FINLAND

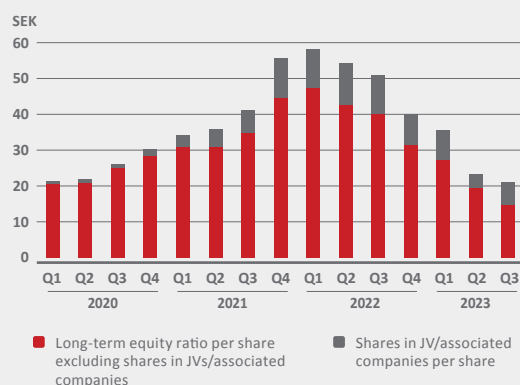
SEK **1.9** BN
Property value
DENMARK

SEK **86.1** BN
Property value
SWEDEN

Value of directly owned properties (SEKm) and yield



Equity ratio per share, NRV



Residentials



SBB owns and manages centrally located properties within one of the Nordic region's most comprehensive holdings of rent-regulated residentials. The combination of high demand and strong underlying driving forces results in a low-risk profile and a capacity for generating a steadily growing operating surplus over time.

Consolidated holdings

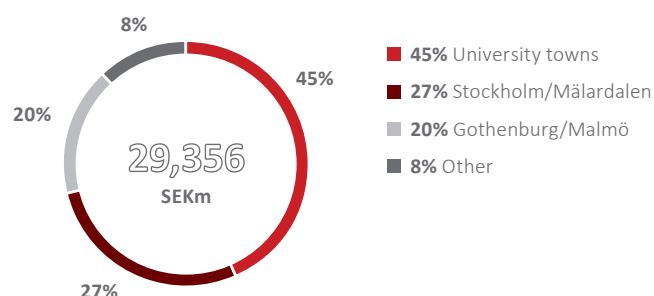
SEK 29.4BN
Property value

3.65 %
Yield

SEK 1,245
Average rent per m²

- Swedish residentials are generally subject to rent levels below the market rate. Rent regulation brings steadily increasing rent levels over time. Following the introduction of the system, rent levels have never been lowered.
- Over time, the rent trend for Swedish rent-regulated residentials has outpaced inflation
- The occupancy rate of the properties is 94 percent. There is generally a housing shortage in SBB's markets.
- The residentials portfolio has considerable potential with attractive demographics and property development opportunities.
- Today, the wholly-owned subsidiary Sveafastigheter is a well-established high-quality property developer, focusing considerably on sustainability.
- An IPO or strategic partnership is planned for the portfolio in 2024 to improve financing opportunities.

Property value per region



Details of SBB's directly owned property portfolios are available on pages 22-23

Joint ventures and associated companies

SEK 6,950M
Closing carrying amount of holdings

Significant holdings attributable to the business area

SBB Residential Property AB

A property portfolio comprising rent-regulated residentials in Sweden, governed and jointly controlled together with Morgan Stanley.

SBB Kåpan Bostad AB

SBB Kåpan Bostad AB owns and manages newly produced residentials in Stockholm and the Mälardalen region. The company is owned jointly by SBB and Kåpan Pensioner.

Significant joint ventures and associated companies	SBB Residential Property AB		SBB Kåpan Bostad AB	
	03-07-2023 30-09-2023	01-01-2022 30-09-2022	01-01-2023 30-09-2023	01-01-2022 30-09-2022
SBB's holding	62%	-	50%	50%
Carrying amount for holding, share of capital, SEKm	3,520	-	1,826	1,941
Rental income, SEKm	50	-	168	115
Profit from property management, SEKm	-20	-	-6	33
Share of JVs and associated companies' results, SEKm	10	-	-291	-45
Reported share of profit JVs and associated companies, SEKm	10	-	-297	-45
Other joint ventures and associated companies			01-01-2023 30-09-2023	01-01-2022 30-09-2022
Closing carrying amount, share of capital, SEKm			1,604	8,377
Share of JVs and associated companies' results, SEKm			-37	-538
Reported share of profit JVs and associated companies, SEKm ¹⁾			-3,647	-538

1) The reported share of profit over the period 01-01-2023–30-09-2023 was predominantly attributable to capital gains from the sale of shares in JM. Following the sale, the remaining holding in JM is reported as financial fixed assets at fair value.

More about SBB's JVs and associated companies can be found on page 26.

Community

A leading and scalable platform specialized in the property management of publicly funded assets, which stands out through its growing demand, inflation hedged cash flows and minimal risk of rent losses.



Consolidated holdings

SEK **46.2** BN
Property value

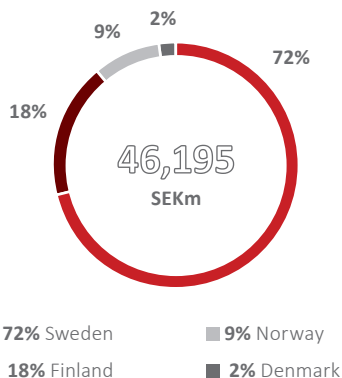
5.28 %
Yield

7.2 years
Average remaining lease length, WAULT

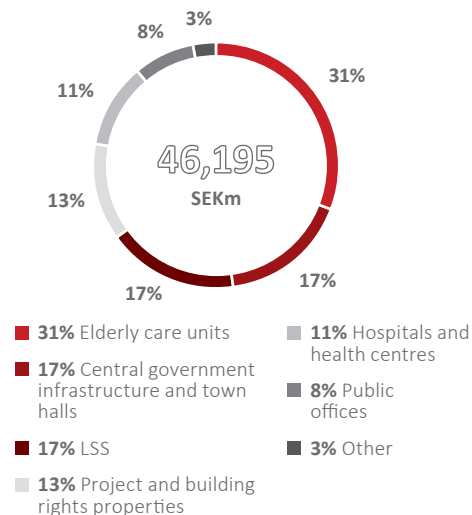
- Attractive demographics where SBB operates generate opportunities for growth as well as minimizing the risk for declining demand.
- The lease terms for the properties are long, with public and publicly funded tenants.
- Rents typically rise more than inflation thanks to near-full inflation indexing and tenant adjustments.
- SBB has an experienced project organization that generates value.
- In the third quarter, SBB sold individual properties in Sweden to different municipalities
- In late September, a hospital property in Norway was sold for NOK 2,815m.

Details of SBB's directly owned property portfolios are available on pages 22-23

Property value, by country



Property value per category



Joint ventures and associated companies

SEK **2,050** M
Closing carrying amount of holdings

Significant holdings attributable to the business area

Public Property Invest AS

The company owns and manages public properties in Norway primarily within the police and judiciary, and public offices segments. A property platform offering opportunities for growth and an average lease term of 5.4 years.



	Public Property Invest AS	
	01-01-2023	01-01-2022
Significant joint ventures and associated companies	30-09-2023	30-09-2022
SBB's holding	45%	45%
Carrying amount for holding, share of capital, SEKm	1,486	2,002
Rental income, SEKm	440	380
Profit from property management, SEKm	170	159
Share of JVs and associated companies' results	-258	41
Reported share of profit JVs and associated companies, SEKm	-258	41
	01-01-2023	01-01-2022
Other joint ventures and associated companies	30-09-2023	30-09-2022
Closing carrying amount, share of capital, SEKm	564	329
Share of JVs and associated companies' results, SEKm	44	54
Reported share of profit JVs and associated companies, SEKm	-171	54

Further details regarding SBB's associated companies and joint ventures are presented on page 26.

Education

SBB is part-owner of Europe's largest portfolio focused on social infrastructure for the public education sector. Long and indexed-leases give strong earnings capacity.



Consolidated holdings

SEK **42.7** BN
Property value ¹⁾

4.84 %
Yield

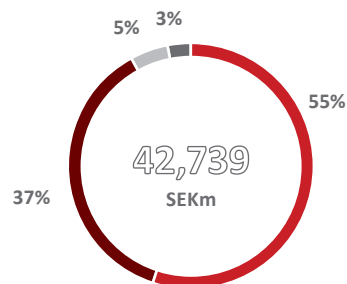
12.8 years
Average remaining lease length, WAULT

- EduCo is jointly owned by SBB and Brookfield and is the main platform for SBB's ownership of educational properties.
- The portfolio constitutes a unique scalable infrastructure platform of properties with publicly funded education.
- The properties have a high lease renewal rate and close to 100 percent of their leases are linked to inflation.
- Secure publicly funded income with average residual lease term of 13 years.
- Carefully financed properties with secure earnings are expected to achieve an investment grade credit score.
- Brookfield is a resource-strong partner with high infrastructure expertise.

1) Including investment properties reported within the item Assets held for sale. See page 16 for more information.

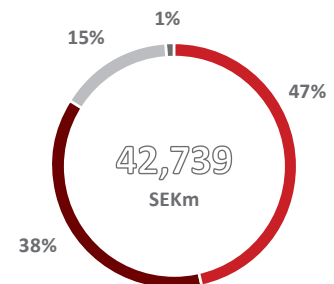
Details of SBB's directly owned property portfolios are available on pages 22-23.

Property value, by country



■ 55% Sweden
■ 37% Norway
■ 5% Finland
■ 3% Denmark

Property value per category



■ 47% Preschool
■ 38% Compulsory/Upper-secondary school
■ 15% Universities
■ 1% Project and building rights properties

Joint ventures and associated companies

- On 24 September, SBB entered into an agreement with Brookfield regarding the sale of about 1.16 percent of the shares in EduCo. The transaction is subject to customary completion conditions, including competition approval, and is expected to be completed in the fourth quarter of 2023. Following the completion of the transaction, SBB will report the holding in EduCo as an associated company.

For the period at hand, EduCo is reported as a discontinued operation. The comparison periods have been recalculated.

Assets and liabilities attributable to EduCo as of 30 September 2023 have been reclassified as assets held for sale and liabilities attributable to assets held for sale. For more information, see page 21.

Consolidated income statement

Amounts in SEKm	01-01-2023 30-09-2023	01-01-2022 30-09-2022 ⁴⁾	01-07-2023 30-09-2023	01-07-2022 30-09-2022 ⁴⁾	01-01-2022 31-12-2022 ⁴⁾
Continuing operations					
Rental income	3,512	4,056	1,195	1,364	5,365
Property costs					
Operating costs	-764	-931	-190	-258	-1,309
Maintenance	-176	-206	-54	-64	-314
Property tax	-76	-88	-23	-25	-127
Net operating income ¹⁾	2,496	2,831	927	1,017	3,615
Administration ¹⁾	-584	-606	-284	-151	-809
Acquisition and restructuring costs	-39	-96	-14	-66	-120
Profit before financial items, value changes in properties and goodwill ²⁾	1,873	2,129	628	801	2,686
Changes in value, property	-10,493	-1,191	-3,522	-2,262	-3,681
Capital loss on the distribution of Neobo	-	-	-	-	-3,202
Reversal/impairment of goodwill regarding deferred tax	-201	-192	-123	-	-387
Goodwill impairment	-	-	-	-	-395
Results, production of residentials	-4	2	-2	-10	-17
Operating profit ²⁾	-8,825	748	-3,018	-1,472	-4,997
Results from associated companies/joint ventures	-4,362	-488	-701	-846	-1,866
of which profit from property management	316	627	-179	230	941
of which value changes	-892	-968	-380	-1,055	-1,970
of which tax	43	-147	36	-20	-90
of which gain/loss from sale of shares	-3,440	-	-3	-	-
of which write-down	-390	-	-176	-1	-747
Interest income and similar items	177	180	38	23	238
Interest expenses and similar items	-976	-655	-253	-209	-1,054
Results of early repayment of loans	-113	-5	-1	-2	424
Translation gains/losses	-1,168	-1,411	944	-679	-1,991
Leasing costs	-5	-15	-1	-5	-19
Changes in the value of financial instruments	-2,085	-1,155	-136	630	-1,560
Profit before tax	-17,357	-2,800	-3,129	-2,559	-10,824
Tax for the year	-482	-208	-117	69	-277
Deferred tax	2,102	-148	649	390	354
Reversal of deferred tax regarding business combinations	201	192	123	-	387
PROFIT FOR THE PERIOD, continuing operations	-15,536	-2,963	-2,473	-2,099	-10,361
Profit for the period, discontinued operations ⁴⁾	-3,022	1,103	-2,289	19	550
PROFIT FOR THE PERIOD	-18,559	-1,861	-4,762	-2,081	-9,811
<i>Profit for the period attributable to:</i>					
Parent Company shareholders	-18,991	-1,729	-4,669	-1,987	-9,634
Non-controlling interest	432	-131	-94	-91	-177
PROFIT FOR THE PERIOD	-18,559	-1,861	-4,762	-2,081	-9,811
Earnings per Class A and B ordinary share before dilution, continuing operations	-11.47	-2.41	-1.80	-1.54	-7.61
Earnings per Class A and B ordinary share after dilution, continuing operations	-11.47	-2.41	-1.80	-1.54	-7.61
Earnings per Class D ordinary share, continuing operations	1.50	1.50	0.50	0.50	2.00
Earnings per Class A and B ordinary share before dilution, discontinued operations	-2.86	0.39	-1.67	-0.09	-0.10
Earnings per Class A and B ordinary share after dilution, discontinued operations	-2.86	0.39	-1.67	-0.09	-0.10
Earnings per Class D ordinary share, discontinued operations	1.50	1.50	0.50	0.50	2.00
Earnings per Class A and B ordinary share before dilution, total continuing and discontinued operations	-13.55	-1.65	-3.37	-1.53	-7.23
Earnings per Class A and B ordinary share after dilution, total continuing and discontinued operations	-13.55	-1.65	-3.37	-1.53	-7.23
Earnings per Class D ordinary share, total continuing and discontinued operations	1.50	1.50	0.50	0.50	2.00

¹⁾ Since the first quarter of 2023, property administration has been included on the administration line. Comparative figures are recalculated.

²⁾ New summation line and new definitions as of the first quarter of 2023. For further information, see Additional information on page 37, as well as Definitions on pages 40-46.

³⁾ In accordance with IFRS 5, comparison periods have been recalculated to exclude discontinued operations.

⁴⁾ The result for the period, discontinued operations, includes net operating income of SEK 1,488m (1,293). For more information on discontinued operations, see page 21.

Consolidated statement of comprehensive income

Amounts in SEKm	01-01-2023 30-09-2023	01-01-2022 30-09-2022	01-07-2023 30-09-2023	01-07-2022 30-09-2022	01-01-2022 31-12-2022
Profit for the period	-18,559	-1,861	-4,762	-2,081	-9,811
Share of comprehensive income in associated companies/joint ventures	-175	70	3	24	169
Translation gains/losses	-689	175	201	282	427
COMPREHENSIVE INCOME FOR THE PERIOD	-19,423	-1,616	-4,558	-1,774	-9,215
<i>Comprehensive income for the period attributable to:</i>					
Parent Company shareholders	-19,855	-1,484	-4,464	-1,683	-9,038
Non-controlling interest	432	-131	-94	-91	-177
COMPREHENSIVE INCOME FOR THE PERIOD	-19,423	-1,616	-4,558	-1,774	-9,215

Comments on the consolidated income statement

Continuing operations

Rent growth of 9.5 percent in comparable portfolios

Rental income amounted to SEK 3,512m (4,056) for the period and to SEK 1,195 (1,364) for the quarter. In a comparable portfolio, rental income increased by 9.5 percent compared with the corresponding period last year. SEK 1,264m of rental income derived from residentials, SEK 2,231m community service and SEK 17m education.

The occupancy rate rose to 96.3 percent

The economic occupancy rate at the end of the period was 96.3 percent (95.2). The average lease term for properties in the Community Service segment was 7 years (11).

Net operating income rose 12.5 percent in comparable portfolios

Net operating income in comparable portfolios is rising faster than rent growth due to a decreased cost trend. In a comparable portfolio, costs increased by 2.3 percent compared with the corresponding period in the preceding year.

Property costs amounted to SEK -1,016m (-1,225) for the period and to SEK -268m (-347) for the quarter.

Profit before value changes and goodwill

In total, administration costs for the period amounted to SEK -584m (-606) and for the quarter they amounted to SEK -284m (-151). Of the administration costs, SEK -237m (-348) was property administration and SEK -347m (-416) was central administration costs, that is, business development costs, transaction, property development and business development. Acquisition and restructuring costs amounted to SEK -39m (-96) and were predominantly attributable to the decentralization of the Group structure.

Value changes

Changes in the value of properties over the period amounted to SEK -10,493m (-1,191), of which SEK -1,472m (-534) were realized changes in value and SEK -9,021m (-657) were unrealized changes in value. Value changes include general rent development, re-negotiations of existing agreements and newly signed leases generating higher net operating income which contributed positively to unrealized value changes. The negative change in value is explained by higher yield requirements. During the period, the property portfolio experienced a negative change in value by about 8.9 percent, of which 2.7 percentage points were attributable to the third quarter. Over the past 18 months, average yield requirements have been raised from 4.35 percent to 5.22 percent, at the same time as the consumer price index rose by 18 percent, meaning that the real decline in value for SBB's fully indexed properties can be estimated at approximately 31 percent during this period.

SBB has during the period sold properties for SEK 3,779m, excluding EduCo and SBB Residential Property. The total investments in these properties were SEK 3,451m and has accumulated value corresponding to SEK 329m. Realized value change are calculated from the latest book value and not from the acquisition value.

Results from associated companies and joint ventures

The loss from associated companies and joint ventures was SEK -4,362m (-487) for the period and SEK -701m (-846) for the quarter. The negative outcome is mainly due to the loss from sales of shares of SEK -3,558m, which is predominantly attributable to the sale of the shares in JM AB (publ) during the second quarter.

The contribution in the negative outcome amounted to SEK -533m (-488) for the period and to SEK -523m (-844) for the quarter. See further information on pages 26-27.

Net financial items

Net financial items for the period amounted to an expense of SEK -2,085m (-1,905). The change is predominantly attributable to increased interest expenses and similar items. The financial costs include interest for external financing, as well as other financial costs, such as accrued arrangement fees.

The financial costs include the results from the early redemption of loans by SEK -113m (-5) for the period. Translation losses of SEK -1,168m (-1,411) were reported for the period and of SEK 944m (-679) for the quarter. The translation losses are mainly attributable to the recalculation of loans in EUR to extent these are not matched by hedges in the form of net assets in EUR and currency derivatives.

Value changes in financial instruments amounted to SEK -2,085m (-1,155) for the period and to SEK -136m (630) for the quarter. The item comprises unrealized changes in value for financial investments in shares of SEK -1,250m (-2,477) and is attributable to the negative price trend for the shares in the portfolio, as well as value changes regarding derivatives of SEK -835m (1,322).

Profit after tax

The loss after tax amounted to SEK -15,536m (-2,963) for the period, while the loss for the quarter amounted to SEK -2,473m (-2,099). Tax on the profit for the period was SEK 1,620m (-356), of which SEK -482m (-208) pertained to current tax and SEK 2,102m (-148) pertained to deferred tax related primarily to properties and tax-loss carryforwards. SEK 201m (192) in deferred tax attributable to goodwill was dissolved.

Discontinued operations

On 24 September, SBB entered into an agreement with Brookfield regarding the sale of about 1.16 percent of the shares in EduCo. The transaction is subject to customary completion conditions, including competition approval, and is expected to be completed in the fourth quarter of 2023. Following the execution of the transaction, SBB will deconsolidate the assets attributable to EduCo. EduCo is reported as a discontinued operation as of the third quarter of 2023 and the comparative figures for 2022 have been recalculated in accordance with IFRS 5.

The result for the period attributable to the discontinued operations amounted to SEK -3,022m. See further information on page 21.

Segment reporting

During the period, SBB changed its segmentation to Residential, Community and Education. See page 37 for more information.

First nine months, 2023

Period 01-01-2023 – 30-09-2023 (SEKm)	Residential	Community	Education	Total segment	Group-wide items and eliminations	Group total
Continuing operations						
Rental income	1,264	2,231	17	3,512	-	3,512
Property costs	-482	-532	-3	-1,016	-	-1,016
Net operating income	782	1,700	14	2,496	-	2,496
Administration	-	-	-	-	-584	-584
Acquisition and restructuring costs	-	-	-	-	-39	-39
Profit before financial items, value changes in properties and goodwill	782	1,700	14	2,496	-623	1,873
Changes in value, property	-5,642	-4,787	-65	-10,493	-	-10,493
Dissolution of goodwill after property sales	-	-	-	-	-201	-201
Results, production of residential	-4	-	-	-4	-	-4
Operating profit/loss	-4,864	-3,087	-51	-8,003	-824	-8,825
Profit from associated companies/joint ventures	-3,934	-429	-	-4,362	-	-4,362
Interest income	-	-	-	-	177	177
Interest expenses and similar	-	-	-	-	-2,262	-2,262
Changes in the value of financial instruments	-	-	-	-	-2,085	-2,085
Profit before tax	-8,798	-3,515	-51	-12,364	-4,994	-17,357
Tax	-	-	-	-	1,821	1,821
Profit/loss for the period, continuing operations	-8,798	-3,515	-51	-12,364	-3,173	-15,536
Investment properties	29,356	46,195	648	76,199	-	76,199
Investments	910	1,142	6	2,058	-	2,058
Value per m ² (SEK)	27,957	23,261	24,403	24,881	-	24,881
Surplus ratio	62%	76%	82%	71%	-	71%
Assets held for sale	-	-	42,635	42,635	-	42,635
Liabilities attributable to assets held for sales	-	-	10,429	10,429	-	10,429

Period 01-01-2023 – 30-09-2023 (SEKm)	Continuing operations	Discontinued operations	Group, incl. discontinued operations	Residential	Community	Education	Total segment	Group-wide items and eliminations	Group, incl. discontinued operations
Rental income	3,512	1,753	5,265	1,264	2,231	1,770	5,265	-	5,265
Property costs	-1,016	-265	-1,281	-482	-532	-268	-1,281	-	-1,281
Net operating income	2,496	1,488	3,984	782	1,700	1,502	3,984	-	3,984
Administration	-584	-47	-631	-	-	-47	-47	-584	-631
Acquisition and restructuring costs	-39	-142	-180	-	-	-142	-142	-39	-180
Profit before financial items, value changes in properties and goodwill	1,873	1,299	3,172	782	1,700	1,313	3,795	-623	3,172
Changes in value, property	-10,493	-2,277	-12,771	-5,642	-4,787	-2,342	-12,771	-	-12,771
Dissolution of goodwill after property sales	-201	-571	-772	-	-	-571	-571	-201	-772
Goodwill impairment	-	-1,794	-1,794	-	-	-1,794	-1,794	-	-1,794
Results, production of residential	-4	-	-4	-4	-	-	-4	-	-4
Operating profit/loss	-8,825	-3,343	-12,169	-4,864	-3,087	-3,394	-11,346	-824	-12,169
Profit from associated companies/joint ventures	-4,362	-	-4,362	-3,934	-429	-	-4,362	-	-4,362
Interest income	177	1	178	-	-	-	-	178	178
Interest expenses and similar	-2,262	-480	-2,743	-	-	-	-	-2,743	-2,743
Changes in the value of financial instruments	-2,085	-	-2,085	-	-	-	-	-2,085	-2,085
Profit before tax	-17,357	-3,822	-21,180	-8,798	-3,515	-3,394	-15,708	-5,473	-21,180
Tax	1,821	799	2,620	-	-	-	-	2,620	2,620
Profit for the period	-15 536	-3 022	-18 559	-8 798	-3 515	-3 394	-15,708	-2 853	-18 559
Investment properties	76,199	42 091	118,290	29,378	46,172	42,739	118,290	-	118,290
Investments	2,058	355	2,413	910	1,142	361	2,413	-	2,413
Value per m ² (SEK)	24,881	31 661	26,933	27,978	23,249	31,519	26,933	-	26,933
Surplus ratio	71%	85%	76%	62%	76%	85%	76%	-	76%

First nine months, 2022

Period 01-01-2022 – 30-09-2022 (SEKm)	Residential	Community	Education	Total segment	Group-wide items and eliminations	Group total
Continuing operations						
Rental income	1,827	2,170	59	4,056	-	4,056
Property costs	-715	-502	-8	-1,225	-	-1,225
Net operating income	1,112	1,668	51	2,831	-	2,831
Administration	-	-	-	-	-606	-606
Acquisition and restructuring costs	-	-	-	-	-96	-96
Profit before financial items, value changes in properties and goodwill	1,112	1,668	51	2,831	-702	2,129
Changes in value, property	-2,455	1,029	236	-1,191	-	-1,191
Dissolution of goodwill after property sales	-	-	-	-	-192	-192
Results, production of residential	2	-	-	2	-	2
Operating profit/loss	-1,341	2,697	287	1,643	-894	748
Profit from associated companies/joint ventures	-583	94	-	-487	-	-487
Interest income	-	-	-	-	180	180
Interest expenses and similar	-	-	-	-	-2,086	-2,086
Changes in the value of financial instruments	-	-	-	-	-1,155	-1,155
Profit before tax	-1,924	2,791	287	1,156	-3,955	-2,800
Tax	-	-	-	-	-164	-164
Profit/loss for the period, continuing operations	-1,924	2,791	287	1,156	-4,118	-2,963
Investment properties	53,911	54,926	861	109,698	-	109,698
Investments	2,038	1,371	21	3,430	-	3,430
Value per m ² (SEK)	27,413	26,787	24,993	27,134	-	27,134
Surplus ratio %	61%	77%	87%	70%	-	70%

Period 01-01-2022 – 30-09-2022 (SEKm)	Continuing operations	Discontinued operations	Group, incl. discontinued operations	Residential	Community	Education	Total segment	Group-wide items and eliminations	Group, incl. discontinued operations
Rental income	4,056	1,542	5,597	1,827	2,170	1,600	5,597	-	5,597
Property costs	-1,225	-249	-1,473	-715	-502	-256	-1,473	-	-1,473
Net operating income	2,831	1,293	4,124	1,112	1,668	1,344	4,124	-	4,124
Administration	-606	-61	-668	-	-	-	-	-668	-668
Acquisition and restructuring costs	-96	-	-96	-	-	-	-	-96	-96
Profit before financial items, value changes in properties and goodwill	2,129	1,232	3,360	1,112	1,668	1,344	4,124	-764	3,360
Changes in value, property	-1,191	210	-981	-2,455	1,028	446	-981	-	-981
Dissolution of goodwill after property sales	-192	-	-192	-	-	-	-	-192	-192
Results, production of residential	2	-	2	2	-	-	2	-	2
Operating profit/loss	748	1,442	2,190	-1,341	2,696	1,790	3,145	-956	2,190
Profit from associated companies/joint ventures	-487	-	-487	-583	94	-	-487	-	-487
Interest income	180	-	180	-	-	-	-	180	180
Interest expenses and similar	-2,086	-347	-2,432	-	-	-	-	-2,432	-2,432
Changes in the value of financial instruments	-1,155	-	-1,155	-	-	-	-	-1,155	-1,155
Profit before tax	-2,800	1,095	-1,705	-1,924	2,790	1,790	2,658	-4,363	-1,705
Tax	-164	7	-156	-	-	-	-	-156	-156
Profit for the period	-2,963	1,103	-1,861	-1,924	2,790	1,790	2,658	-4,519	-1,861
Investment properties	109,698	44,813	154,512	53,911	54,926	45,674	154,512	-	154,512
Investments	3,430	362	3,792	2,038	1,371	383	3,792	-	3,792
Value per m ² (SEK)	27,134	34,379	28,900	27,413	26,787	34,137	28,900	-	28,900
Surplus ratio	70%	84%	74%	61%	77%	84%	74%	-	74%

Third quarter, 2023

Period 01-07-2023 – 30-09-2023 (SEKm)	Residential	Community	Education	Total segment	Group-wide items and eliminations	Group total
Continuing operations						
Rental income	428	762	4	1,195	-	1,195
Property costs	-128	-139	-	-268	-	-268
Net operating income	300	623	4	927	-	927
Administration	-	-	-	-	-284	-284
Acquisition and restructuring costs	-	-	-	-	-14	-14
Profit before financial items, value changes in properties and goodwill	300	623	4	927	-299	628
Changes in value, property	-1,569	-1,910	-43	-3,522	-	-3,522
Dissolution of goodwill after property sales	-	-	-	-	-123	-123
Results, production of residential	-2	-	-	-2	-	-2
Operating profit/loss	-1,270	-1,287	-39	-2,597	-422	-3,018
Profit from associated companies/joint ventures	-480	-222	-	-701	-	-701
Interest income	-	-	-	-	38	38
Interest expenses and similar	-	-	-	-	689	689
Changes in the value of financial instruments	-	-	-	-	-136	-136
Profit before tax	-1,750	-1,509	-39	-3,298	169	-3,129
Tax	-	-	-	-	656	656
Profit/loss for the period, continuing operations	-1,750	-1,509	-39	-3,298	824	-2,473
Investment properties	29,356	46,195	648	76,199	-	76,199
Investments	275	219	1	495	-	495
Value per m ² (SEK)	27,957	23,261	24,403	24,881	-	24,881
Surplus ratio	70%	82%	92%	78%	-	78%
Assets held for sale	-	-	42,635	42,635	-	42,635
Liabilities attributable to assets held for sales	-	-	10,429	10,429	-	10,429

Period 01-07-2023 – 30-09-2023 (SEKm)	Continuing operations	Discontinued operations	Group, incl. discontinued operations	Residential	Community	Education	Total segment	Group-wide items and eliminations	Group, incl. discontinued operations
Rental income	1,195	598	1,793	428	762	602	1,793	-	1,793
Property costs	-268	-72	-339	-128	-139	-72	-339	-	-339
Net operating income	927	526	1,454	300	623	530	1,454	-	1,454
Administration	-284	-15	-299	-	-	-	-	-299	-299
Acquisition and restructuring costs	-14	-9	-23	-	-	-	-	-23	-23
Profit before financial items, value changes in properties and goodwill	628	503	1,131	300	623	530	1,454	-322	1,131
Changes in value, property	-3,522	-965	-4,486	-1,569	-1,910	-1,008	-4,486	-	-4,486
Dissolution of goodwill after property sales	-123	-571	-694	-	-	-	-	-694	-694
Impairment of goodwill	-	-1 794	-1 794	-	-	-	-	-1,794	-1,794
Results, production of residential	-2	-	-2	-2	-	-	-2	-	-2
Operating profit/loss	-3,018	-2,827	-5,845	-1,270	-1,287	-478	-3,034	-2,810	-5,843
Profit from associated companies/joint ventures	-701	-	-701	-480	-222	-	-701	-	-701
Interest income	38	-	38	-	-	-	-	38	38
Interest expenses and similar	689	-162	527	-	-	-	-	527	527
Changes in the value of financial instruments	-136	-	-136	-	-	-	-	-136	-136
Profit before tax	-3,129	-2,988	-6,117	-1,750	-1,509	-478	-3,735	-2,381	-6,115
Tax	656	699	1,355	-	-	-	-	1,355	1,355
Profit for the period	-2,473	-2,289	-4,762	-1,750	-1,509	-478	-3,735	-1,028	-4,762
Investment properties	76,199	42,092	118,290	29,356	46,195	42,739	118,290	-	118,290
Investments	495	94	589	275	219	96	589	-	589
Value per m ² (SEK)	24,881	31,662	26,933	27,957	23,261	31,519	26,933	-	26,933
Surplus ratio	78%	88%	81%	70%	82%	88%	81%	-	81%

Third quarter, 2022

Period 01-07-2022 – 30-09-2022 (SEKm)	Residential	Community	Education	Total segment	Group-wide items and eliminations	Group total
Continuing operations						
Rental income	620	734	10	1,364	-	1,364
Property costs	-208	-137	-2	-347	-	-347
Net operating income	412	597	8	1,017	-	1,017
Administration	-	-	-	-	-151	-150
Acquisition and restructuring costs	-	-	-	-	-66	-66
Profit before financial items, value changes in properties and goodwill	412	597	8	1,017	-217	801
Changes in value, property	-1,934	-377	54	-2,257	-5	-2,262
Results, production of residential	-10	-	-	-10	-	-10
Operating profit/loss	-1,532	220	62	-1,250	-222	-1,472
Profit from associated companies/joint ventures	-680	-165	-	-846	-	-846
Interest income	-	-	-	-	23	23
Interest expenses and similar	-	-	-	-	-894	-894
Changes in the value of financial instruments	-	-	-	-	630	630
Profit before tax	-2,212	55	62	-2,096	-463	-2,559
Tax	-	-	-	-	460	460
Profit/loss for the period, continuing operations	-2,212	55	62	-2,096	-4	-2,099
Investment properties	53,911	54,926	861	109,698	-	109,698
Investments	689	401	11	1,100	-	1,100
Value per m ² (SEK)	27,413	26,787	24,993	27,134	-	27,134
Surplus ratio	66%	81%	80%	75%	-	75%

Period 01-07-2022 – 30-09-2022 (SEKm)	Continuing operations	Discontinued operations	Group, incl. discontinued operations	Residential	Community	Education	Total segment	Group-wide items and eliminations	Group, incl. discontinued operations
Rental income	1,364	524	1,888	620	734	534	1,888	-	1,888
Property costs	-347	-77	-424	-208	-137	-80	-424	-	-424
Net operating income	1,017	447	1,464	412	597	455	1,464	-	1,464
Administration	-150	-23	-173	-	-	-	-	-173	-173
Acquisition and restructuring costs	-66	-	-66	-	-	-	-	-66	-66
Profit before financial items, value changes in properties and goodwill	801	424	1,225	412	597	455	1,464	-239	1,225
Changes in value, property	-2,262	-243	-2,507	-1,934	-377	-190	-2,501	-7	-2,508
Results, production of residential	-10	-	-10	-10	-	-	-10	-	-10
Operating profit/loss	-1,472	181	-1,293	-1,532	220	265	-1,047	-246	-1,293
Profit from associated companies/joint ventures	-846	-	-846	-680	-165	-	-846	-	-846
Interest income	23	-	23	-	-	-	-	23	23
Interest expenses and similar	-894	-186	-1,080	-	-	-	-	-1,080	-1,080
Changes in the value of financial instruments	630	-	630	-	-	-	-	630	630
Profit before tax	-2,559	-5	-2,566	-2,212	55	265	-1,893	-673	-2,566
Tax	460	25	484	-	-	-	-	484	484
Profit for the period	-2,099	19	-2,081	-2,212	55	265	-1,893	-189	-2,081
Investment properties	109,698	44,813	154,511	53,911	54,926	45,674	154,511	-	154,511
Investments	1,100	138	1,239	689	401	150	1,239	-	1,239
Value per m ² (SEK)	27,134	34,379	28,900	27,413	26,787	34,137	28,900	-	28,900
Surplus	75%	85%	78%	66%	81%	85%	78%	-	78%

Full-year, 2022

Period 01-01-2022 – 31-12-2022 (SEKm)	Residen- tial	Community	Education	Total segment	Group-wide items and eliminations	Group total
Continuing operations						
Rental income	2,432	2,864	68	5,365	-	5,365
Property costs	-1,017	-721	-11	-1,750	-	-1,750
Net operating income	1,415	2,143	57	3,615	-	3,615
Administration	-	-	-	-	-809	-809
Acquisition and restructuring costs	-	-	-	-	-120	-120
Profit before financial items, value changes in properties and goodwill	1,415	2,143	57	3,615	-929	2,686
Changes in value, property	-3,558	-375	252	-3,681	-	-3,681
Capital loss on the distribution of Neobo	-3,202	-	-	-3,202	-	-3,202
Dissolution of goodwill after property sales	-	-	-	-	-387	-387
Impairment of goodwill	-	-	-	-	-395	-395
Results, production of residentials	-17	-	-	-17	-	-17
Operating profit/loss	-5,362	1,767	309	-3,285	-1,711	-4,997
Profit from associated companies/joint ventures	-912	-954	-	-1,866	-	-1,866
Interest income	-	-	-	-	238	238
Interest expenses and similar	-	-	-	-	-2,640	-2,640
Changes in the value of financial instruments	-	-	-	-	-1,560	-1,560
Profit before tax	-6,274	813	309	-5,151	-5,673	-10,824
Tax	-	-	-	-	464	464
Profit/loss for the period, continuing operations	-6,274	813	309	-5,151	-5,209	-10,361
Investment properties	37,530	53,272	672	91,474	-	91,474
Investments	2,555	1,761	30	4,346	-	4,346
Value per m ² (SEK)	29,330	26,431	27,299	27,588	-	27,588
Surplus ratio	58%	75%	84%	67%	-	67%

Period 01-01-2022 – 31-12-2022 (SEKm)	Continuing operations	Discon- tinued operations	Group, incl. discon- tinued operations	Residen- tial	Community	Education	Total segment	Group-wide items and eliminations	Group, incl. discon- tinued operations
Rental income	5,365	2,082	7,447	2,432	2,864	2,150	7,447	-	7,447
Property costs	-1,750	-351	-2,101	-1,017	-721	-362	-2,101	-	-2,101
Net operating income	3,615	1,731	5,346	1,415	2,143	1,788	5,346	-	5,346
Administration	-809	-89	-898	-	-	-	-	-898	-898
Acquisition and restructuring costs	-120	-	-120	-	-	-	-	-120	-120
Profit before financial items, value changes in properties and goodwill	2,686	1,642	4,328	1,415	2,143	1,788	5,346	-1,018	4,328
Changes in value, property	-3,681	-890	-4,571	-3,558	-375	-638	-4,571	-	-4,571
Capital loss on the distribution of Neobo	-3,202	-	-3,202	-3,202	-	-	-3,202	-	-3,202
Dissolution of goodwill after property sales	-387	-	-387	-	-	-	-	-387	-387
Impairment of goodwill	-395	-	-395	-	-	-	-	-395	-395
Results, production of residentials	-17	-	-17	-17	-	-	-17	-	-17
Operating profit/loss	-4,997	752	-4,245	-5,362	1,767	1,150	-2,444	-1,800	-4,245
Profit from associated companies/joint ventures	-1,866	-	-1,866	-912	-954	-	-1,866	-	-1,866
Interest income	238	1	239	-	-	-	-	239	239
Interest expenses and similar	-2,640	-477	-3,117	-	-	-	-	-3,117	-3,117
Changes in the value of financial instruments	-1,560	-	-1,560	-	-	-	-	-1,560	-1,560
Profit before tax	-10,824	276	-10,549	-6,274	813	1,150	-4,310	-6,239	-10,549
Tax	464	274	738	-	-	-	-	738	738
Profit for the period	-10,361	550	-9,811	-6,274	813	1,150	-4,310	-5,500	-9,811
Investment properties	91,474	44,142	135,616	37,530	53,272	44,813	135,616	-	135,616
Investments	4,346	500	4,846	2,555	1,761	530	4,846	-	4,846
Value per m ² (SEK)	27,588	33,652	29,307	29,423	26,431	33,535	29,307	-	29,307
Surplus ratio	67%	83%	72%	58%	75%	83%	72%	-	72%

Consolidated balance sheet

Amounts in SEKm	30-09-2023	30-09-2022	31-12-2022
ASSETS			
Fixed assets			
Intangible assets			
Goodwill	2,717	5,874	5,283
Total intangible assets	2,717	5,874	5,283
Tangible assets			
Investment properties	76,198	154,511	135,616
Land lease agreements	435	702	829
Equipment, machinery and installations	101	48	37
Total tangible assets	76,735	155,261	136,482
Financial fixed assets			
Participations in associated companies/joint ventures	9,000	15,806	12,649
Receivables from associated companies/joint ventures	896	1,891	1,737
Derivatives	1,083	2,133	1,696
Financial fixed assets at fair value	804	1,900	2,298
Other non-current receivables	1,917	70	939
Total financial fixed assets	13,700	21,800	19,319
Total fixed assets	93,151	182,935	161,084
Current assets			
Properties held for sale	155	169	156
Current receivables			
Derivatives	260	-	-
Financial fixed assets at fair value	13	-	-
Accounts receivable	66	77	106
Other receivables	590	2,310	1,434
Prepaid expenses and accrued income	693	743	740
Total current receivables	1,622	3,130	2,280
Cash investments	184	512	421
Cash and cash equivalents	2,187	4,941	4,429
Total cash and cash equivalents and cash investments	2,371	5,453	4,850
Assets held for sale	42,635	-	-
Total current assets	46,783	8,752	7,286
TOTAL ASSETS	139,934	191,687	168,370

Comments

Goodwill

At the end of the period, goodwill amount to SEK 2,717m (5,283). Over the period, total impairments and reversals of SEK -2,566m (-782) were made. Of these, SEK -2,365m was attributable to EduCo in connection with the reclassification of EduCo to assets held for sale. The impairment was reported under discontinued operations.

At the end of the period, SEK 545m was attributable to the difference between nominal tax and the deferred tax calculated on the acquisition of properties in company format that must be disclosed in connection with "business combinations." Remaining goodwill consists primarily of synergy effects in the form of reduced financing and administration costs.

Investment properties

As of 30 September 2023, the value of the properties amounted to SEK 76,198m (135,616). The value of the property portfolio has been based on

external valuations made by Newsec, JLL, Savills, Cushman & Wakefield Realkapital 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 5.22 percent (4.37) has been used in the valuation. The value of the properties includes SEK 2,736m 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 22-25.

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, SEKm
Rental value	+/- 5%	4,955 / -4,913
Property costs	+/- 5%	-1,492 / 1,504
Discount rate	+/- 0.25 percentage points	-4,987 / 5,519
Direct return requirements	+/- 0.25 percentage points	-4,386 / 5,109

Property portfolio change

Amounts in SEKm	
Opening fair value, 01-01-2023	135,616
Acquisition	2,052
Contributed by minority owner	802
Investments	2,414
Sales	-10,743
Translation differences	-552
Unrealized value changes	-11,298
Reclassification to assets held for sale	-42,092
Fair value at end of period	76,198

Associated companies and joint ventures

SBB's commitment to associated companies and joint ventures comprises shareholdings, as well as loans to companies in which SBB does not exert a decisive influence. These companies consist both of companies conducting property management operations and companies conducting property development operations.

The largest holdings comprise the companies SBB Residential Property AB, SBB Kåpan Bostad AB and Public Property Invest AS. For more information, see page 26-27.

At the end of the period, participations in associated companies and joint ventures amounted to SEK 9,000m (12,649) and receivables from associated companies and joint ventures amounted to SEK 896m (1,737).

Cash and cash equivalents and cash investments

Cash and cash equivalents amounted to SEK 2,187m (4,429) and cash investments, comprising shares in listed companies, amounted to SEK 184m (421). Blocked cash and cash equivalents amounted to SEK 0m (1,066).

Assets held for sale

On 24 September, SBB entered into an agreement with Brookfield regarding the sale of about 1.16 percent of the shares in EduCo. The transaction is subject to customary completion conditions, including competition approval, and is expected to be completed in the fourth quarter of 2023.

Following the sale, SBB will hold about 49.84 percent of EduCo. Accordingly, in the third quarter, assets attributable to EduCo were reclassified to assets held for sale. See page 21 for more information.

Consolidated balance sheet

Amounts in SEKm	30-09-2023	30-09-2022	31-12-2022
EQUITY AND LIABILITIES			
Share capital	165	165	165
Other contributed capital	26,599	26,588	26,587
Reserves	-547	90	142
Retained earnings incl. comprehensive income for the year	-5,074	30,289	17,424
Equity attributable to Parent Company shareholders	21,145	57,132	44,318
Hybrid bonds	15,748	17,277	15,748
Other reserves	1,067	376	577
Non-controlling interest	12,393	2,264	2,691
Total equity	50,354	77,049	63,337
Long-term liabilities			
Liabilities to credit institutions	12,614	32,747	30,496
Bond loans	42,446	52,036	48,310
Derivatives	406	294	375
Deferred tax liabilities	3,208	10,360	9,120
Leasing liabilities	435	701	829
Other non-current liabilities	113	188	141
Total long-term liabilities	59,222	96,326	89,271
Current liabilities			
Liabilities to credit institutions	6,391	2,970	3,400
Commercial papers	55	2,458	1,111
Bond loans	6,956	5,165	3,768
Derivatives	1,289	-	596
Accounts payable	150	350	456
Current tax liabilities	89	327	310
Liability, cash collateral	-	2,173	2,178
Other liabilities	1,548	1,674	1,185
Approved dividend	2,133	1,411	834
Accrued expenses and prepaid income	1,320	1,784	1,924
Liabilities attributable to assets held for sales	10,429	-	-
Total current liabilities	30,358	18,312	15,762
TOTAL EQUITY AND LIABILITIES	139,934	191,687	168,370

Comments

Equity

Equity attributable to Parent Company shareholders amounted to SEK 21,145m (44,319) at end of the period. Total equity amounted to SEK 50,354m (63,337) at end of the period.

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 2023, the deferred tax liability amounted net to SEK 3,208m (9,120) and is largely attributable to investment properties and tax-loss carryforwards. The Group's tax-loss carryforwards totalled SEK 6,600m as of 30 September 2023. Tax loss carryforwards totalling SEK 585m were exercised during the period.

Interest-bearing liabilities

At the end of the period, interest-bearing liabilities in the Group amounted to SEK 68,462m (87,085), of which SEK 19,005m (33,896) pertained to liabilities to credit institutions, SEK 49,402m (52,078) pertained to bond loans and SEK 55m (1,111) pertained to commercial papers.

Total interest-bearing liabilities, including liabilities to credit institutions reported within liabilities attributable to assets held for sales of SEK 6,405m (-), as well as other secured loans recognized under liabilities attributable to assets held for sale of SEK 382m (-) amount to SEK 74,866 (87,085).

See further under the section Financing on page 28-31.

Liability, cash collateral

During the first quarter of 2023, SBB redeemed the Total Return Swap (TRS) regarding cash investments in shares for about SEK 2bn as reported on the line "Liability, cash collateral."

Liabilities attributable to assets held for sales

On account of assets attributable to EduCo at the end of the period having been reclassified to assets held for sale, liabilities attributable to EduCo at end of the period were reclassified to liabilities attributable to assets held for sale.

See page 21 for more information.

Consolidated changes in equity

Equity attributable to Parent Company's shareholders

Amounts in SEKm	Share capital	Other contributed capital	Reserves ¹⁾	Retained earnings	Total	Hybrid-bond	Other reserves ²⁾	Holdings without controlling influence	Total equity
Opening equity, 01-01-2022	165	26,371	834	34,778	62,148	17,295	-543	4,071	82,971
Profit for the period	-	-	-	-1,729	-1,729	-	-	-131	-1,861
Other comprehensive income	-	-	-744	70	-674	-	919	-	245
Comprehensive income for the period	-	-	-744	-1,659	-2,403	-	919	-131	-1,616
New share issue	-	210	-	-	210	-	-	-	210
Redemption of part of hybrid bond	-	-	-	-	-	-7	-	-	-7
Issue costs	-	-	-	-	-	-10	-	-	-10
Tax effects in equity	-	7	-	-	7	-	-	-	7
Dividend	-	-	-	-2,308	-2,308	-	-	-	-2,308
Dividend hybrid bond	-	-	-	-382	-382	-	-	-	-382
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
Profit for the period	-	-	-	-7,905	-7,905	-	-	-46	-7,951
Other comprehensive income	-	-	52	1,218	1,270	-	-919	-	351
Comprehensive income for the period	-	-	52	-6,687	-6,635	-	-919	-46	-7,600
Redemption of part of hybrid bond	-	-	-	751	751	-1,525	54	-	-720
Issue costs	-	-	-	-	-	-5	-	-	-5
Tax effects in equity	-	-1	-	175	174	-	-	-	174
Currency revaluation, hybrid bonds	-	-	-	-1,065	-1,065	-	1,065	-	-
Dividend hybrid bond	-	-	-	-108	-108	-	-	-	-108
Distribution of Neobo	-	-	-	-5,946	-5,946	-	-	-	-5,946
Divestiture to minority	-	-	-	-	-	-	-	712	712
Redeemed minority interests	-	-	-	17	17	-	-	-239	-223
Closing equity, 31 Dec 2022	165	26,587	142	17,424	44,319	15,748	577	2,691	63,337
Opening equity, 01-01-2023	165	26,587	142	17,424	44,319	15,748	577	2,691	63,337
Profit for the period	-	-	-	-18,991	-18,991	-	-	432	-18,559
Other comprehensive income	-	-	-689	-175	-864	-	-	-	-864
Comprehensive income for the period	-	-	-689	-19,166	-19,854	-	-	432	-19,423
Warrants repurchase	-	-	-	-4	-4	-	-	-	-4
Tax effects in equity	-	-	-	182	182	-	-	-	182
Conversion of mandatory convertibles	-	12	-	-11	1	-	-	-	1
Currency revaluation, hybrid bonds	-	-	-	-490	-490	-	490	-	-
Dividend	-	-	-	-2,482	-2,482	-	-	-	-2,482
Dividend hybrid bond	-	-	-	-417	-417	-	-	-	-417
Acquired minority interests	-	-	-	-	-	-	-	9,840	9,840
Redemption minority holdings	-	-	-	-110	-110	-	-	-570	-680
Total equity 30-09-2023	165	26,599	-547	-5,074	21,145	15,748	1,067	12,393	50,354

1) Reserves consist of hedge accounting and translation differences.

2) Other reserves comprise translation gains/losses regarding hybrid bonds.

Comments

As of 30 September 2023, equity amounted to SEK 50,354m (63,337). Equity includes hybrid bonds issued for a book value of SEK 16,815m. The nominal value of the hybrid bonds is SEK 17,313m.

Translation differences in the translation of net assets in subsidiaries in Norway, Finland and Denmark from local currency to SEK amounted to SEK -689m of the change in equity during the period.

Minority interests

Minority shareholdings amount to SEK 12,393m (2,691). The increase is primarily attributable to Brookfield's acquisition of a minority 49 percent holding in EduCo, and Unobo to which Riksbyggen contributed properties

for SEK 802m during the year, see change in property portfolio on page 17. Also included are minority shareholdings in a few companies within the Sveafastigheter-group, with SBB not holding all of the shares in those companies.

Equity ratio

The equity ratio was 36 percent (38), the adjusted equity ratio was 40 percent (42) and the loan-to-value ratio was 52 percent (49).

Consolidated cash flow statement, condensed

Amounts in SEKm	01-01-2023 30-09-2023	01-01-2022 30-09-2022	01-07-2023 30-09-2023	01-07-2022 30-09-2022	01-01-2022 31-12-2022
Continuing operations					
Operating activities					
Profit before tax	-17,357	-2,800	-3,129	-2,559	-10,824
<i>Adjustment for non-cash flow items</i>					
Depreciation	6	6	4	4	10
Changes in value, property	10,493	1,191	3,522	2,264	3,681
Capital loss on the distribution of Neobo	-	-	-	-	3,202
Dissolution of goodwill after property sales	201	192	123	-	387
Impairment of goodwill	-	-	-	-	395
Results, production of residentials	4	-2	2	10	17
Results from associated companies/joint ventures	4,362	487	701	846	1,866
Participation in the earnings of associated companies/joint ventures	283	297	1	5	304
Changes in the value of financial instruments	2,085	1,155	136	-630	1,560
Net interest income	2,085	1,906	-727	871	2,402
Interest paid	-957	-571	-177	-218	-587
Interest received	83	138	-62	-16	195
Paid tax	-482	-208	-117	69	-277
Cash flow from operating activities before changes in working capital	806	1,791	276	645	2,331
Cash flow from changes in working capital					
Increase (-)/Decrease (+) of operating receivables	113	-369	805	230	164
Increase (+)/Decrease (-) of operating liabilities	-771	-1,471	-272	-892	-1,524
Cash flow from operating activities, continuing operations	148	-49	810	-16	971
Investment activities					
Investments in properties	-2,022	-3,608	-516	-1,135	-4,750
Property sales	-	153	-	8	171
Acquisitions of subsidiaries less acquired cash and cash equivalents	-1,044	-6,285	-369	-74	-6,647
Disposals of subsidiaries less cash and cash equivalents	4,455	8,268	4,526	2,100	9,677
Investments/divestitures in equipment, machinery and installations	-72	-6	-1	-7	1
Investments/divestments in associated companies/joint ventures	2,277	-1,421	-3,807	76	475
Change in receivables from associated companies/joint ventures	-9	2,005	467	868	2,159
Cash flow from financial assets	166	1,569	183	336	1,772
Change in other non-current receivables	-957	140	106	-1	-728
Cash flow from investing activities, continuing operations	2,795	815	589	2,172	2,130
Financing activities					
Issue hybrid bonds	-	-10	-	-	-
Issue costs	-	-	-	-	-15
Warrants repurchase	-4	-	-	-	-
Redemption of hybrid bonds	-	-	-	-	-727
Redemption of mandatory convertible	1	-	3	-	-
Redemption of preference shares	-	-	-	-	-
Dividend paid	-1,659	-2,236	-7	-594	-2,837
Distribution of cash and cash equivalents in Neobo	-	-	-	-	-231
Divestiture to minority	9,038	-	384	-	712
Redeemed minority interests ²⁾	-	-1,817	-	1	-2,040
Borrowings	21,023	40,392	-2,266	7,611	59,932
Repayment of loans	-32,559	-38,467	945	-8,726	-59,710
Change in cash collateral	-1,431	-3,434	-75	-318	-3,429
Changes in other non-current liabilities raised	25	-112	-250	-132	-202
Cash flow from financing activities, continuing operations	-5,565	-5,684	-1,264	-2,158	-8,546
Profit/loss for the period, continuing operations	-2,622	-4,918	134	-2	-5,445
Cash and cash equivalents at the beginning of the period	4,429	9,837	1,679	4,984	9,837
Profit/loss for the period, continuing operations	-2,622	-4,918	134	-2	-5,445
Cash flow for the period, discontinued operations ¹⁾	381	-13	374	-1	36
Exchange rate change in cash and cash equivalents	-2	35	-	-40	-
Cash and cash equivalents at the end of the period	2,187	4,941	2,187	4,941	4,429
<i>whereof Cash and cash equivalents attributable to discontinued operations¹⁾</i>	438	8	438	8	57

1) For more information, see page 21.

2) At the beginning of the period, redeemed minority shares was reclassified to change in financial assets.

Assets held for sale / Discontinued operations

Assets held for sale

Amounts in SEKm	EduCo 30-09-2023
Investment properties	42,092
Land lease agreements	391
Equipment, machinery and installations	2
Total fixed assets	42,485
Accounts receivable	15
Other receivables	38
Prepaid expenses and accrued income	97
Total current assets	150
Assets held for sale	42,635

Amounts in SEKm	30-09-2023
Liabilities to credit institutions	6,330
Other secured loans	382
Deferred tax liabilities	2,634
Leasing liabilities	391
Other non-current liabilities	31
Total long-term liabilities	9,768
Liabilities to credit institutions	75
Accounts payable	97
Current tax liabilities	100
Other liabilities	11
Accrued expenses and prepaid income	378
Total current liabilities	660
Liabilities attributable to assets held for sales	10,429

EduCo

At the beginning of the period SBB held 51 percent of EduCo. On 24 September 2023, SBB entered into an agreement to sell a further 1.16 percent of EduCo, whereby SBB will de-consolidate these operations. The transaction is subject to the customary conditions for completion, including competition approvals, and is expected to be completed in the fourth quarter of 2023.

As a consequence of the agreement entered into, at the end of the period, EduCo was reclassified as assets held for sale. On reclassification, a valuation was made of the disposal group's fair value with deductions for sales costs. This has resulted in impairment of goodwill by SEK 2,365m attributable to the disposal group, of which SEK 571m refers to the reversal of deferred tax from previous business combinations. The impairment was reported under discontinued operations.

At end of the period, investment properties amounted to SEK 42,092m. The unrealized change in value for the period amounted to SEK -2,277m (210). Rental income for the period, amounted to SEK 1,753m (1,542). Property costs amounted to SEK -264m (-248) for the period and to SEK -72m for the quarter, essentially comprising costs for operation and maintenance. The loss for the period for the discontinued operations amounted to SEK -3,022m (1,103).

Capital structure

Following deductions for Liabilities attributable to assets held for sale, SEK 10,429m, Assets held for sale, SEK 42,635m, as well as Cash and cash equivalents attributable to discontinued operations, SEK 438m, amounted to SEK 32,644m, of which SEK 14,797m is funded through liabilities to Group companies.

On completion of the transaction, EduCo will raise new loans of about SEK 16bn. In connection with this, about SEK 8bn will be refunded to SBB.

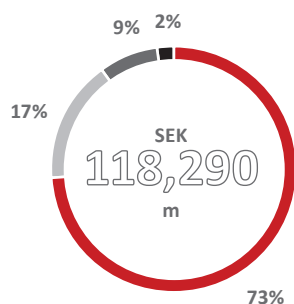
Discontinued operations

Amounts in SEKm	01-01-2023 30-09-2023	01-01-2022 30-09-2022	01-07-2023 30-09-2023	01-07-2022 30-09-2022	01-01-2022 31-12-2022
Income	1,753	1,542	598	524	2,082
Operating costs	-206	-185	-54	-54	-258
Maintenance	-46	-53	-13	-20	-79
Property tax	-12	-10	-5	-3	-14
Net operating income	1,488	1,293	526	447	1,731
Administration	-47	-61	-15	-23	-89
Acquisition and restructuring costs	-142	-	-9	-	-
Profit before financial items, value changes in properties and goodwill	1,299	1,232	503	424	1,642
Changes in value, property	-2,277	210	-965	-243	-890
Dissolution of goodwill after property sales	-571	-	-571	-	-
Goodwill impairment	-1,794	-	-1,794	-	-
Operating profit/loss	-3,343	1,442	-2,827	181	752
Interest income, interest expenses and similar items	-475	-343	-162	-185	-471
Translation gains/losses	1	-	1	-	-
Leasing costs	-5	-3	-1	-1	-5
Profit before tax	-3,822	1,095	-2,988	-5	276
Tax for the year	-133	-6	-38	0	-17
Deferred tax	362	14	167	25	291
Dissolution of deferred tax goodwill	571	-	571	-	-
PROFIT/LOSS FOR THE PERIOD, discontinued operations	-3,022	1,103	-2,289	19	550
CASH FLOW					
Cash flow from operating activities	687	879	303	239	1,149
Cash flow from investing activities	-433	-3 080	-94	-153	-3,219
Cash flow from financing activities	127	2 187	166	-87	2,106
CASH FLOW FOR THE PERIOD, discontinued operations	381	-13	374	-1	36
<i>Cash and cash equivalents attributable to discontinued operations</i>	<i>438</i>	<i>8</i>	<i>438</i>	<i>8</i>	<i>57</i>

Property portfolio

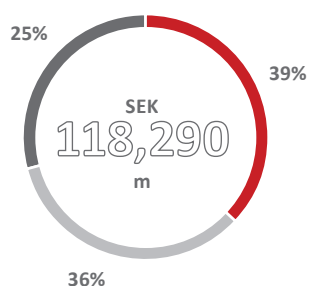
The property portfolio includes investment properties reported under assets held for sale. See page 21 for more information

Property value, by country



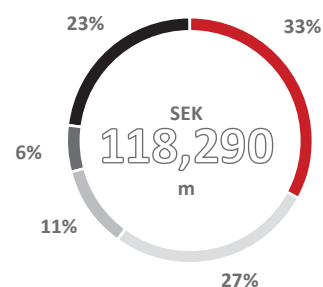
- 73% Sweden
- 17% Norway
- 9% Finland
- 2% Denmark

Property value per segment



- 39% Community
- 36% Education
- 25% Residentials

Property value per region



- 33% University cities
- 27% Stockholm/Mälardalen
- 11% Oslo/Copenhagen/Helsinki
- 6% Gothenburg/Malmö
- 23% Other growth municipalities

Rental income by business area

Largest tenants (Community and Education)

Tenant	Rental income, rolling 12-month, SEKm	% of total
Läringsverkstedet	313	6.2%
Trygge Barnehager AS	289	5.7%
Swedish state	246	4.8%
Norwegian state	169	3.3%
Attendo	161	3.2%
Municipality of Härnösand	140	2.8%
Academedia	139	2.7%
Finnish state	126	2.5%
Esperi	113	2.2%
International English School	110	2.2%
Municipality of Haninge	99	1.9%
Humana	98	1.9%
Ambea	93	1.8%
Danish state	76	1.5%
Region Västra Götaland	69	1.3%
Municipality of Skellefteå	65	1.3%
Municipality of Boden	65	1.3%
Norlandia	55	1.1%
Municipality of Västerås	53	1.0%
Municipality of Strängnäs	52	1.0%
20 largest tenants	2,532	49.8%
Other	2,554	50.2%
Total	5,085	100.0%

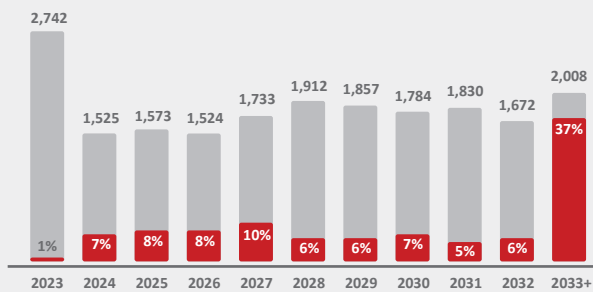
Largest municipalities (Residentials)

Municipality	Number of apartments	No. thousand m ²	Rental income, rolling 12-month, SEKm	% of total
Linköping	1,535	109	131	10.0%
Skellefteå	1,358	99	115	8.8%
Jönköping	1,204	80	86	6.6%
Helsingborg	940	65	83	6.3%
Höganäs	744	58	74	5.6%
Östersund	675	57	64	4.9%
Falun	724	47	60	4.6%
Karlskrona	375	42	55	4.2%
Borås	506	39	48	3.7%
Södertälje	440	24	41	3.1%
Stockholm	311	25	39	3.0%
Kävlinge	407	27	38	2.9%
Landskrona	375	30	35	2.7%
Sundbyberg	199	20	33	2.5%
Umeå	479	27	32	2.4%
Avesta	475	32	31	2.3%
Borlänge	318	20	26	2.0%
Norrköping	271	19	23	1.8%
Tierp	304	21	21	1.6%
Växjö	229	16	21	1.6%
20 largest municipalities	11,869	855	1,054	80.6%
Other	2,629	195	253	19.4%
Total	14,498	1,050	1,308	100.0%

Property portfolio

Business area	Property portfolio				Earnings capacity				Term	Yield
	Area, thousand m ²	Market value	SEK/m ²	Building rights and project value	Economic letting ratio	Rental income	SEK/m ²	Net operating income	WAULT	Initial direct return
Residentials										
University locations	530	13,211	21,392	1,882	95%	623	1,177	404	-	3.57%
Stockholm/Mälardalen	152	8,019	33,301	2,948	95%	242	1,592	174	-	3.42%
Gothenburg/Malmö	231	5,825	24,080	261	96%	303	1,310	209	-	3.76%
Other municipalities	137	2,302	13,698	423	87%	139	1,015	83	-	4.42%
Total, Residentials	1,050	29,356	22,706	5,514	94%	1,308	1,245	870	-	3.65%
Community										
Sweden	1,475	33,099	19,992	3,612	95%	1,896	1,285	1,423	7	4.83%
Norway	148	4,075	26,076	215	96%	261	1,766	243	8	6.30%
Finland	321	8,291	25,643	73	98%	609	1,901	511	6	6.22%
Denmark	42	730	17,210	-	98%	66	1,549	56	4	7.73%
Total, Community	1,986	46,195	21,298	3,899	96%	2,832	1,426	2,234	7	5.28%
Education										
Sweden	923	23,599	24,689	814	96%	1,399	1,516	1,110	8	4.87%
Norway	305	15,833	51,860	-	100%	732	2,398	717	24	4.53%
Finland	66	2,141	32,441	-	100%	136	2,064	121	10	5.66%
Denmark	62	1,166	18,879	-	97%	90	1,462	80	6	6.82%
Total, Education	1,356	42,739	30,919	814	98%	2,358	1,739	2,027	13	4.84%
Total	4,392	118,290	24,605	10,226	96%	6,498	1,479	5,131	10	4.75%

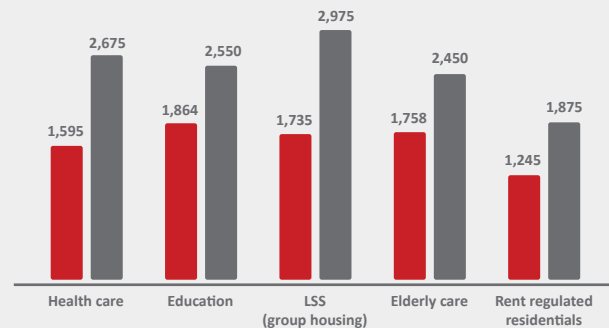
Lease duration, Community / Education



- Maturity structure
- Average rent on rental income in maturity structure

10 years
average remaining lease duration

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



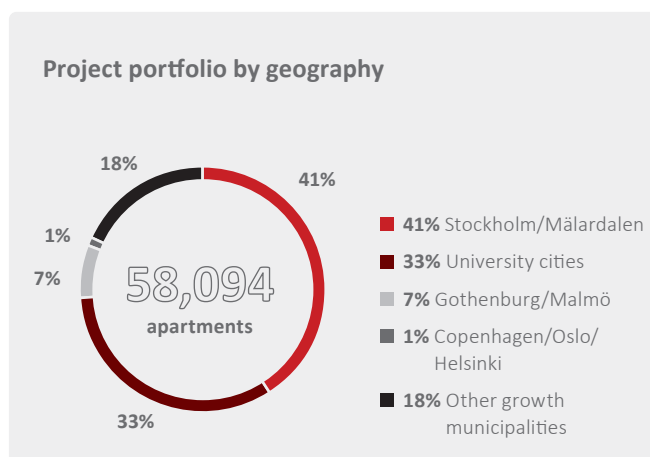
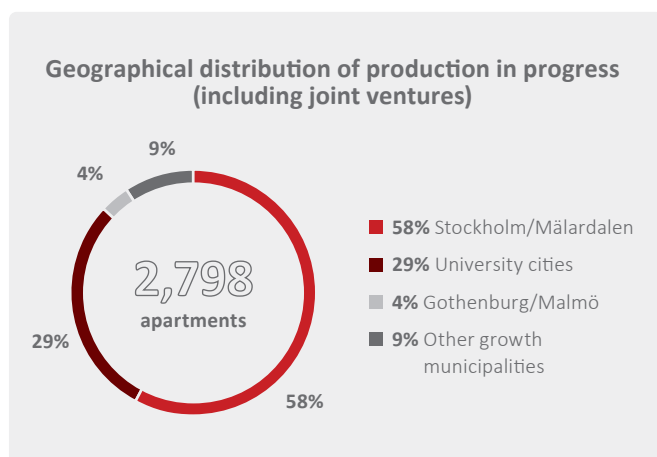
- SBB
 - New production
- Source: Newsec

Production in progress

New production in progress and investments in existing portfolio

	2023 – 2025	2026-
Remaining investment including SBB's share of the joint venture¹⁾	1,944	-
-of which, <i>Residentials</i>	1,351	-
-of which, <i>Education</i>	113	-
-of which, <i>Communit</i>	480	-
Future net operating income	304	-
-of which, <i>Residentials</i>	210	-
-of which, <i>Education</i>	13	-
-of which, <i>Community</i>	82	-
Return on remaining investment	15.6%	-

1) Of the total investment of SEK 1,944m, SEK 259m is financed via building credits and SEK 701m by vendors of projects until such time that tenants can take possession.



New production	SBB's share	No. apts.	No. m ²	No. projects	Rent (SEKm)	Net operating income (SEKm)	Investment (SEKm)	Deve- loped (SEKm)	Continuing operations (SEKm)	Yield (rent)	Direct
											return (net operating income)
Residentials	100%	1,550	71,774	11	153	128	2,702	1,647	1,056	5.6%	4.7%
JV, Residentials	50%	1,147	64,402	7	169	145	2,743	2,196	547	6.2%	5.3%
Education	-	-	-	-	-	-	-	-	-	-	-
JV, Education	-	-	-	-	-	-	-	-	-	-	-
Community	100%	101	33,320	4	77	69	1,272	937	335	6.0%	5.4%
JV, Community	50%	-	7,038	-	12	10	260	22	239	4.6%	3.8%
Total	78%	2,798	176,534	22	410	352	6,977	4,802	2,176	5.9%	5.0%
SBB's share of total	100%	2,219	140,448	-	319	274	5,464	3,682	1,782	5.8%	5.0%

Investments in existing portfolio

	No. m ²	No. projects	Net operating income (SEKm)	Investment (SEKm)	Developed (SEKm)	Remaining (SEKm)	Direct return (net operating income)
Residentials	62,742	6	10	217	194	23	4.6%
Education	7,757	6	13	268	155	113	4.7%
Community service	7,410	4	8	110	84	26	6.9%
Total	77,909	16	30	595	433	163	5.1%

68%

degree of completion
production in progress

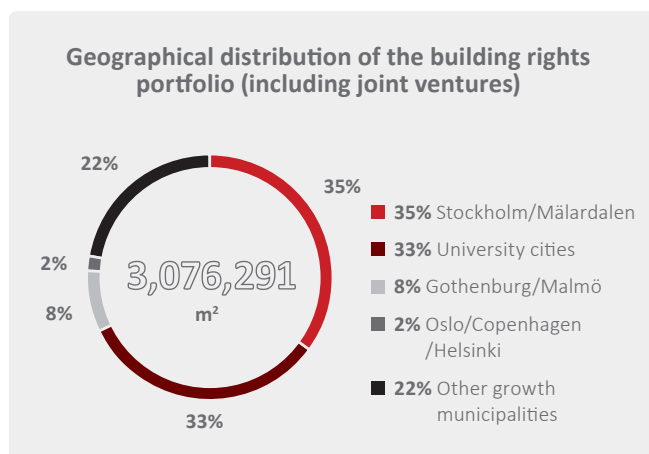
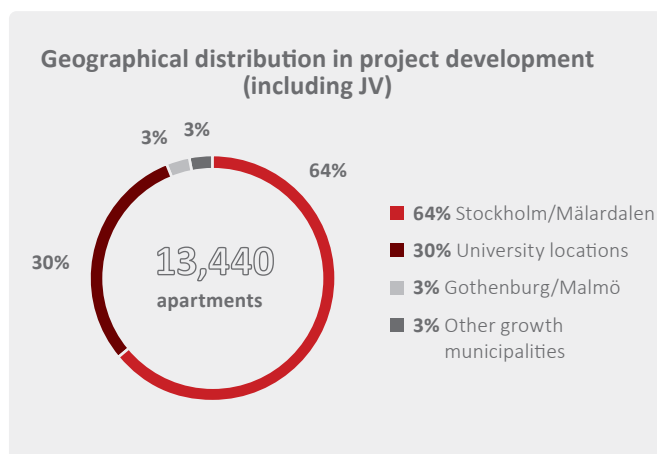
15.6%

return on remaining investment

91%

of residentials production in Sweden's
metropolitan regions and university cities

Project and building rights development



New production, project development in progress

	SBB's share	No. apts.	No. m²
Residentials	100%	8,974	480,913
JV, Residentials	48%	3,622	205,089
Education	100%	0	14,951
JV, Education	50%	0	6,440
Community service	100%	844	100,969
JV, Community Service	50%	0	45,146
Total	86%	13,440	853,508
SBB's share of total	100%	11,554	720,007

Building rights development

Planning phase	SBB's share	Phase 1 – Project concepts	Phase 2 – Ahead of a planning decision	Phase 3 – With planning approval	Phase 4 – Zoning plans having gained legal force	Total GFA (m²)	Book value (SEKm)	per m² (SEK)
Residentials	100%	140,724	-	175,690	164,596	481,010	593	1,232
Education	100%	327,040	21,625	130,285	225,617	704,567	504	715
Community	100%	272,620	97,520	469,380	713,819	1,553,339	1,639	1,055
Total	100%	740,384	119,145	775,355	1,104,032	2,738,916	2,736	999
Building rights in joint venture	49%					337,375	1,235	3,662
-of which, Residentials	49%					312,110	1,209	3,873
-of which, Education	-					-	-	-
-of which, Community	48%					25,265	27	1,050
Total including JVs	84%					3,076,291	3,971	1,291
SBB's share of total	100%					2,910,577	3,341	1,148

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.

Strategic holdings in joint ventures and associated companies

As part of the company's active portfolio management, SBB has invested 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.

Some of the companies conduct property development projects, while other companies own investment properties. The largest holdings comprise the companies SBB Residential Property AB, SBB Kåpan Bostad AB and Public Property Invest AS.

SBB Residential Property AB

SBB Residential Property AB was formed in July 2023 and has issued preference shares in connection with the company entering into an agreement on raising capital with an investment fund managed by Morgan Stanley. In connection with the issue, the company was reclassified from a wholly-owned subsidiary to a joint venture. As of 30 September 2023, SBB Residential Property AB had a property portfolio of 215 properties, with 3,954 apartments, with several properties having been completed during the year.

SBB Kåpan Bostad AB

SBB Kåpan Bostad AB owns and manages properties in Stockholm and the Mälardalen region. As of 30 September 2023, SBB Kåpan Bostad AB had a property portfolio of 2,675 apartments, of which 655 apartments are in production. The remainder of the company is owned by Kåpan Pensioner.

Public Property Invest AS

Public Property Invest AS owns and manages properties for the police and judiciary, and for public authorities in Norway. The remainder of the company is owned by institutional and private investors.

Amounts in SEKm	30-09-2023			Total
	Residential	Community service	Education	
Book value 01-01-2023	10,318	2,331	-	12,649
Acquisitions for the year	3,512	-	-	3,512
Shareholder contributions	371	36	-	406
Dividends for the year	-278	-5	-	-283
Disposals for the year	-6,278	-11	-	-6,289
Reclassification	-33	-	-	-33
Translation differences	-	-40	-	-40
Impairment for the year	-345	-45	-	-390
Share of profit	-318	-214	-	-533
Book value 30-09-2023	6,950	2,050	-	9,000

Business area	Residential		Residential		Community	
	SBB Residential Property AB		SBB Kåpan Bostad AB		Public Property Invest AS	
	03-07-2023 30-09-2023	01-01-2022 30-09-2022	01-01-2023 30-09-2023	01-01-2022 30-09-2022	01-01-2023 30-09-2023	01-01-2022 30-09-2022
<i>SBB's holding</i>	62%	-	50%	50%	45%	45%
Rental income, SEKm	50	-	168	115	440	380
Net operating income, SEKm	32	-	123	79	376	324
Profit from property management, SEKm	-20	-	-6	33	170	159
Profit for the period, SEKm	-460	-	-582	-89	-573	91
SBB's share of profit from property management, SEKm	13	-	-3	17	77	71
SBB's share of total profit, SEKm	10	-	-291	-45	-258	41
Market value of properties, SEKm	6,088	-	6,615	6,244	8,857	9,987
Number of properties	215	-	24	24	48	48
Number of m ² , thousands	284	-	157	157	297	297
Economic letting ratio, %	91%	-	94%	91%	95%	94%
Average lease term, years	N/A	-	N/A	N/A	5.4	6.0
Interest-bearing liabilities, SEKm	2,360	-	3,192	2,454	5,709	6,372
Average interest rate, %	13.0	-	5.49	5.42	4.82	4.32
Debt maturity, years	4.88	-	0.96	1.50	1.47	1.96
Interest term, years	4.88	-	0.19	0.22	1.75	1.88
	30-09-2023	30-09-2022	30-09-2023	30-09-2022	30-09-2023	30-09-2022
Participations in associated companies/joint ventures, SEKm	3,520	-	1,826	1,941	1,486	2,002

Business area	01-01-2023 – 30-09-2023				01-01-2022 – 30-09-2022				01-01-2022 – 31-12-2022			
	Residen- tials	Community	Educa- tion	Total	Residen- tials	Community	Educa- tion	Total	Residen- tials	Community	Educa- tion	Total
Share of profit from JVs/ associated companies												
<i>Profit from property management</i>	202	114	-	316	398	229	-	627	665	276	-	941
<i>Changes in value</i>	-555	-337	-	-892	-953	-15	-	-968	-943	-1,027	-	-1,970
<i>Tax</i>	34	8	-	43	-28	-120	-	-147	-9	-81	-	-90
Total share of profit from JVs/associated companies	-318	-214	-	-533	-582	95	-	-488	-288	-832	-	-1,119
Sales results from JVs/ associated companies	-3,271	-169	-	-3,440	-	-	-	-	-	-	-	-
Impairment of shares in JVs/ associated companies	-345	-45	-	-390	-	-	-	-	-625	-122	-	-747
Profit/loss from associated companies / joint ventures	-3,934	-429	-	-4,362	-582	95	-	-488	-912	-954	-	-1,866

Business area	01-07-2023 – 30-09-2023				01-07-2022 – 30-09-2022			
	Residen- tials	Community	Educa- tion	Total	Residen- tials	Community	Educa- tion	Total
Share of profit from JVs/associated companies								
<i>Profit from property management</i>	-206	28	-	-179	147	83	-	230
<i>Changes in value</i>	-208	-172	-	-380	-826	-229	-	-1 055
<i>Tax</i>	24	10	-	36	-1	-19	-	-20
Total share of profit from JVs/associated companies	-389	-133	-	-523	-680	-164	-	-844
Sales results from JVs/associated companies	-40	-43	-	-3	-	-	-	-
Impairment of shares in JVs/associated companies	-131	-45	-	-176	-	-	-	-1
Results from associated companies / joint ventures	-480	-222	-	-701	-680	-165	-	-846

Financing

The information in the financial section include EduCo, which is reported as assets held for sale – for more information, see page 21.

SBB owns and manages a property portfolio with the capacity to generate increasing net operating income.

The majority of the financing is long-term and on favourable terms. A more difficult financing market, combined with negative speculations around the company’s future, has led to refinancing processes take longer time and as a consequence a decreased liquidity.

Increased interest rates and falling asset prices have created a need for SBB to reduce the company’s level of debt.

Over the year, SBB has completed transactions with the aim to reduce the company’s indebtedness. The company takes measures and conducts processes aimed at strengthening the company’s ability to refinance short term debt, and to strengthen the ability to take up new long-term financing and to improve the general financial position.

Should it not be possible to complete these processes in the manner intended by the Board of Directors and the management, significant uncertainty factors prevail that could lead to significant doubt about the company’s capacity to finance the operations given the company’s future plans. Based on the work being carried out with regard to new financing, the Board of Directors and the management are certain that an assumption of continued operation still holds.

Interest-bearing liabilities decreased by SEK 6,339m

SBB has decreased liabilities by SEK 6,339m during the quarter and by SEK 20,377m since 30 June 2022. The loan-to-value has nonetheless increased to 53 percent due to falling property values and negative currency effects. A higher interest rate affects the market values of both assets and liabilities. The market values of SBB’s properties are assessed externally each quarter and are reported at fair value in the balance sheet. The company’s liabilities are reported at amortized cost.

Key ratios	Policy	30-09-2023	31-12-2022
Interest-bearing liabilities	-	75,249	87,085
Loan-to-value	< 50%	53%	50%
Secured loan-to-value	-	19%	21%
Interest coverage ratio	> 2.0	2.6	3.9
Liquidity, SEKm	min. 3,000 ¹⁾	2,187	4,429
Capital sources/capital uses, next 12 months		0.8	
Debt maturities, years		3.7	3.9
Interest maturities, years		3.1	3.2

1) from 31-12-2024

Need to improve credit ratings

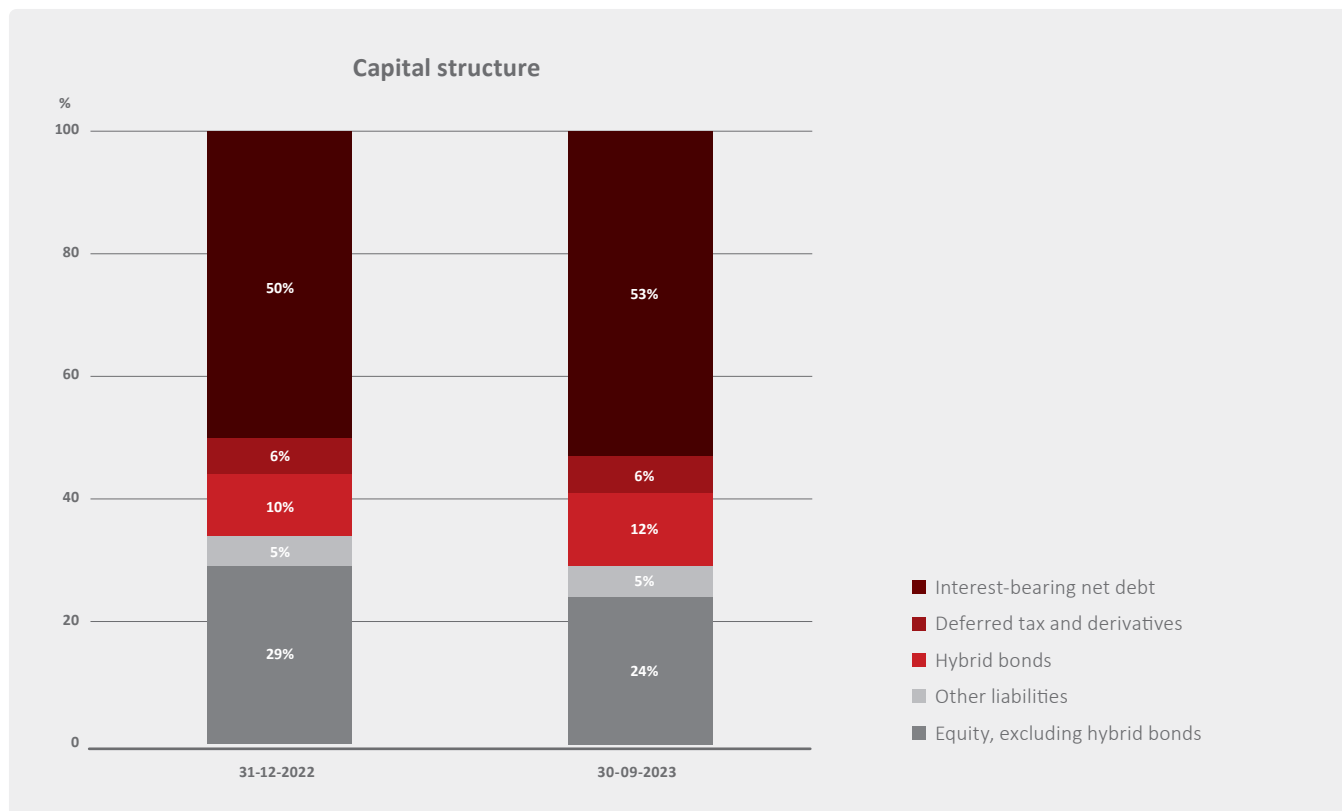
During the period the credit rating from S&P’s has been lowered from BBB- to CCC+ with a negative outlook. Fitch has lowered SBB’s credit rating from BBB- to B- with negative outlook. Both credit ratings are under review (“Rating watch”).

SBB aims to eventually regain a credit rating of at least BBB-, corresponding to “Investment Grade”. Among other things, this requires lower indebtedness and improved liquidity.

Collaboration with Morgan Stanley

During the third quarter, SBB Residential Property AB, in the Residential segment, issued preference shares for SEK 2,360m with at a 13 percent annual return.

In the long run, SBB intends to simplify the financing structure. Measure taken, however, has been important for strengthening liquidity in the short term.



Liquidity

SBB has executed, and intends to execute, a large number of transactions to ensure sufficient liquidity. Divesting large property portfolios is difficult in the current market, however SBB sees favourable opportunities to divest individual properties. SBB intends to present additional divestments on an ongoing basis as these processes are completed.

SBB currently takes a highly restrictive approach to new acquisitions. Upcoming acquisitions are finalized due to agreements entered into previously.

Cash flows from acquisitions and sales over the upcoming 12 months, SEKm	Acquisition	Sales
Q4 2023 ¹⁾	-383	387
Q1 2024	-	97
Total	-383	484

1) Of which, SEK 293m was acquired and SEK 160m was sold before the publication of the third quarter interim report.

In SBB's assessment, the refinancing of EduCo and the sale of 1.16 percent of the shares to Brookfield will be implemented in the fourth quarter. This will raise about SEK 8,000m for the company.

SBB will also take strategic measures to strengthen liquidity, for example through issues of shares in SBB's subsidiaries. A different

company structure also facilitates increased bank financing, a favourable alternative when the bond market is weaker.

Over time, a cautious stance on new projects will bring balance to the cash flow from property operations as projects in progress are completed.

SBB's liquidity has been negatively affected by the discontinuation of short-term financing in the form of commercial papers with associated credit facilities, for example.

SBB has reduced the use of commercial papers from SEK 1,111m to SEK 55m during the year.

General uncertainty in the market and specific uncertainty for SBB has made it difficult to extend bank loans far in advance. Bank loans with a maturity near term are considered able to refinance. This has occurred during the quarter in the amount of SEK 1,003m. Secured financing is considered to increase somewhat in the fourth quarter, excluding the reduction of bank loans in connection with the refinancing of Educo.

SBB has unused credit facilities of SEK 3,500m that cannot currently be used and are therefore not included in available liquidity. SBB is working on implementing the changes required to make the facilities accessible.

SBB is introducing a target of at least SEK 3,000m in liquidity and for capital sources to exceed capital uses in a 12-month horizon.

Capital sources, next 12 months, SEKm	Total
Existing	
Cash	2,187
Cash equivalents	184
Construction credit	960
Signed property sales	484
Sale and refinancing proceeds of EduCo	8,000
Earnings capacity	2,764
Total existing capital sources	14,579
Expected¹⁾	
Refinancing of bank loans	5,000
Total expected capital sources¹⁾	5,000
Total existing and expected capital sources	19,579

1) To be considered with uncertainty.

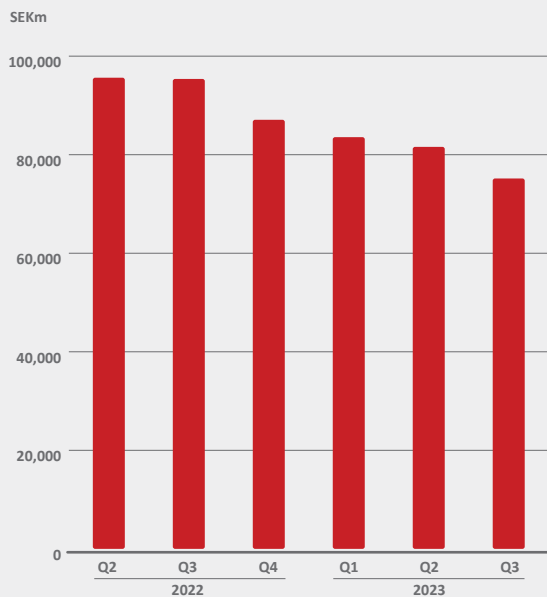
Capital uses, next 12 months, SEKm	Total
Bonds	6,981
Commercial papers	55
Bank loans	6,490
Dividend	2,133
Guarantees	280
Net investments, new construction	992
Net investments, smaller	840
Signed property acquisitions	383
Total capital uses	18,154

Interest and debt maturities

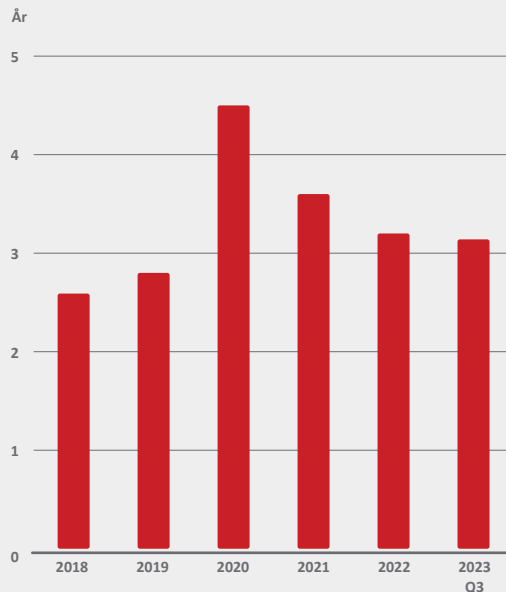
The advantage with long-term financing is that interest expense changes slowly when the interest rate rises. SBB's average interest rate of 2.29 percent is significantly below current market interest rates. The interest rate on SBB's long-term bond financing is particularly favourable.

Over the past 15 months, indebtedness has decreased by SEK 20,377m. SBB is working actively to reduce its absolute level of debt. By repaying loans on maturity, the effects of higher interest rates are reduced.

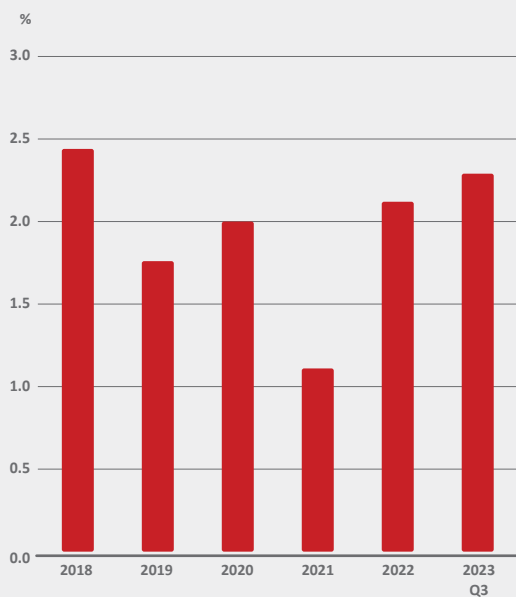
Debt



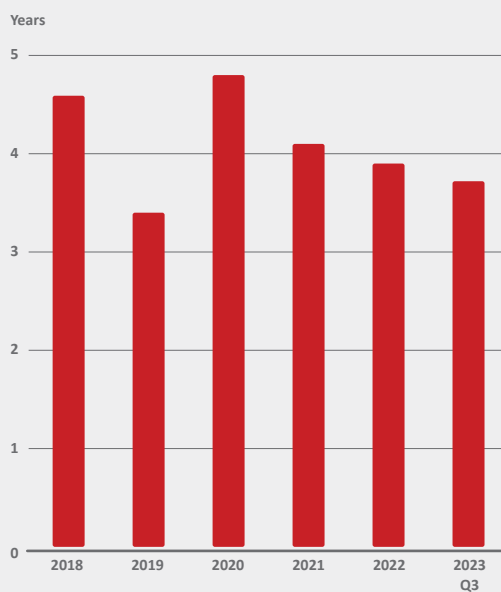
Interest maturities



Average interest rate



Debt maturities



Debt maturities

(SEKm)	Unsecured debt		Secured debt		Total nominal debt		
	Nominal debt	Nominal debt	Nominal debt, EduCo ¹⁾	Total nominal secured debt	Total nominal debt	Share, %	
Q4 2023	57	159	21	180	237	0%	
Q1 2024	6,657	1,123	21	1,144	7,802	10%	
Q2 2024	321	1,803	21	1,824	2,145	3%	
Q3 2024	-	3,322	21	3,343	3,343	4%	
Next 12 months	7,036	6,407	84	6,490	13,526	-	
Q4 2024	484	704	21	725	1,208	2%	
2025	6,324	1,629	2,084	3,713	10,037	13%	
2026	5,746	1,519	3,590	5,109	10,855	14%	
2027	10,221	4,436	408	4,844	15,065	20%	
2028	8,045	483	26	509	8,554	11%	
2029	10,918	90	27	117	11,035	15%	
> 2030	1,117	3,628	569	4,197	5,314	7%	
Total	49,889	18,897	6,809	25,706	75,595	100%	

1) Reported under liabilities attributable to assets held for sale. See page 21 for more information.

Interest maturities

(SEKm)	Unsecured debt		Secured debt		Total consolidated debt				
	Nominal debt	Nominal debt	Nominal debt, EduCo 1)	Total nominal secured debt	Total nominal debt	Share, %	Including interest rate hedges	Share, including interest rate hedges, %	Average interest rate, including interest rate hedges, %
Q4 2023	9,681	14,297	6,395	20,692	30,373	40%	7,997	11%	5.44%
2024	484	167	-	167	650	1%	14,302	19%	2.16%
2025	4,738	-	-	-	4,738	6%	8,052	11%	1.98%
2026	5,746	76	-	76	5,822	8%	8,122	11%	2.23%
2027	9,161	4,357	383	4,740	13,901	18%	16,183	21%	2.28%
2028	8,045	-	-	-	8,045	11%	8,545	11%	0.92%
2029	10,918	-	-	-	10,918	14%	10,619	14%	1.27%
>2030	1,117	-	31	31	1,148	2%	1,749	2%	3.57%
Total	49,889	18,897	6,809	25,706	75,595	100%	75,569	100%	2.29%

Reconciliation nominal debt

	SEKm	Share, %
Non-current liabilities		
Liabilities attributable to credit institutions	12,614	17%
Bond loans	42,446	56%
Liabilities to credit institutions, reported under liabilities attributable to assets held for sale ¹⁾	6,330	8%
Other secured loans, reported under liabilities attributable to assets held for sale ¹⁾	382	1%
Current liabilities		
Liabilities attributable to credit institutions	6,391	8%
Commercial papers	55	0%
Bond loans	6,956	9%
Liabilities to credit institutions, reported under liabilities attributable to assets held for sale ¹⁾	75	0%
Total interest-bearing debt	75,249	100%
Accrued loan expenses and premiums/discounts	346	
Total nominal debt	75,595	

1) See page 21 for more information.

SBB's sustainability work

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. More information about this is available on the website and in the Sustainability Report.

E

Climate and environment – overarching objectives

- Reduced energy use 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 1 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

- 100-percent sustainable financing
- SBB is to be classified as a green share on Nasdaq Stockholm



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.

The persistent work in the area of sustainability has produced results in the form of an improved ESG risk rating. The analyst firm Sustainalytics assessed SBB's ESG risk as very low, 12.0 (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.

Ecological sustainability

The climate issue is one of humanity's greatest challenges and SBB has a responsibility for future generations to contribute solutions and reduce its own climate impact.

Development in the third quarter of 2023

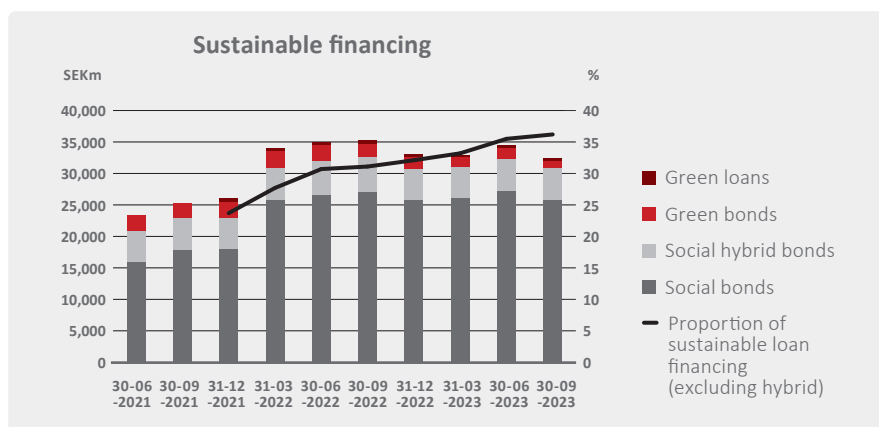
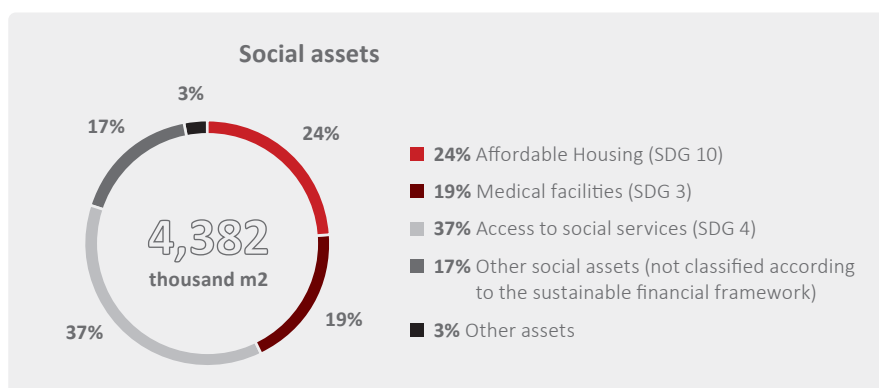
SBB is pursuing the largest certification project in accordance with Miljöbyggnad iDrift to date. The project has now entered a phase in which the certification of larger volumes has commenced. A number of different property types will be certified, including schools, residential and community service buildings around the Nordic region. During the quarter, the certification of nine properties was completed. All new construction projects ongoing during the quarter included solar power.

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.

Development in the third quarter of 2023

As of 30 September 2023, SBB held social assets of a total 3,503 thousand m². 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. In addition, SBB also holds community service properties of some 738 thousand m², that have yet to be classified in accordance with the sustainable financial framework.

To address the serious problem of workplace crime, SBB has produced a set of instructions for all instances in which SBB is the client in construction contracts where the total investment exceeds SEK 20m and the contract period exceeds one year. Agreement templates are to be used for all contracts. SBB must be granted electronic access to the personnel ledger (DPA to be signed with the contractor). Before the contracting agreement is signed, information shall be sent to SBB's construction manager who either approves or denies the intended contractor, or orders a background check on the

company. Once the contractor has established the work site, SBB requests monitoring of the personnel ledger. Quarterly reports are sent to SBB's project manager and construction manager.

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 2023

As of 30 September 2023, social bonds, green bonds and green loans made up 36 percent of the total debt portfolio (excluding social hybrid bonds).

Currently in project development, Q3 2023

	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	10	4	40%	7	70%	100%	60%
Number of m ²	61,527	10,958	18%	53,403	86%	100%	53%

Number of energy projects – in progress and completed in the quarter

	Community service				Education				Residential				Total	
	Number in progress	Number completed	Number of MWh in progress	Number of MWh completed	Number in progress	Number completed	Number of MWh in progress	Number of MWh completed	Number in progress	Number completed	Number of MWh in progress	Number of MWh completed	Share of total energy consumption, in progress and completed	
Solar panels	9	1	204	166	6	-	620	-	9	-	1,290	-	0.4%	
Heat pump	5	-	1,587	-	5	1	775	270	3	2	2,382	1,050	1.1%	
Energy-efficient heating and ventilation	19	1	3,266	350	2	2	200	194	14	6	1,111	549	1.0%	
Control and regulation technology	5	-	630	-	1	-	80	-	16	3	838	48	0.3%	
Energy efficient lighting	2	1	207	1	5	2	50	20	12	-	202	-	0.1%	
Other	2	1	147	90	-	1	-	8	6	1	10	-	0.0%	
Total	42	4	6,041	607	19	6	1,725	492	60	12	5,833	1,647	3.0%	

The share and shareholders

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 2023, the number of Class B ordinary shares totalled 1,244,638,157, while Class D shares totalled 193,865,905. There are also 209,977,491 Class A ordinary shares in the company. In August 2023, the remaining holders of convertible debentures in SBB exercised their rights to convert subordinated mandatory convertibles. As a consequence, new Class B shares were registered with the Swedish Companies Registration Office and Euroclear during August 2023, increasing the number of Class B shares by 389,114 and the number of votes by 38,911.40. On 30 September 2023, Class B ordinary shares were trading at SEK 4.00, and Class D shares at SEK 4.31. The market capitalization of the Class B shares (including the value of unlisted series A ordinary shares at the same price) was SEK 5,818m, for the Class D shares, it was SEK 836m.

SBB's share is liquid and has been part of OMXS30 since 1 July 2022. Over the past 12 months, an average of approximately 50.3m Class B shares were traded per day for an average daily value of approximately SEK 643.8m. SBB works actively with its investor base by participating in roadshows, presentations and events for private and institutional investors.

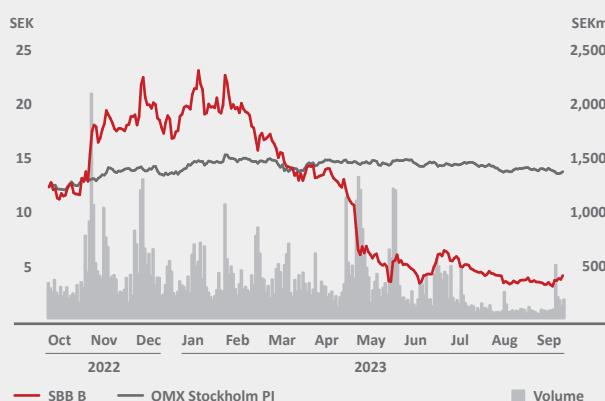
Shareholders

At the end of the second quarter of 2023, there were 237,858 known shareholders, corresponding to an decrease of 6.2 percent compared with the corresponding point in 2022. On 30 September 2023, share capital amounted to SEK 165m 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.

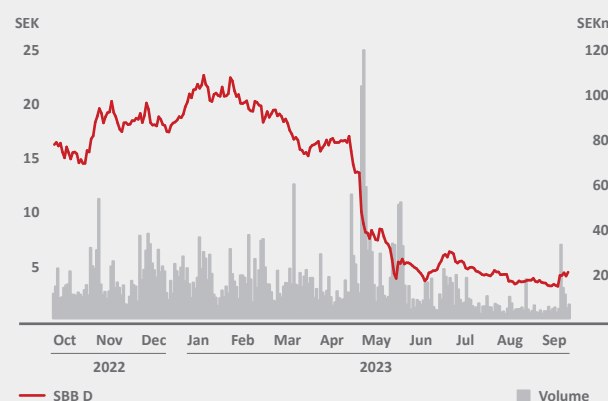
	Share price, SEK	
	30-09-2023	30-09-2022
Class B shares	4.00	12.17
Class D shares	4.31	16.73

	Average daily turnover, SEKm	
	Jan-Sep 2023	Jan-Sep 2022
Class B shares	308.0	471.6
Class D shares	15.1	33.7

Class B share trend, past 12 months



Class D share trend, past 12 months



Shareholder structure as of 30 September 2023

Shareholders	Class A shares	Class B shares	Class D shares	Share capital, %	Votes, %
Ilija Batljan	109,053,868	26,691,920	1,030,000	8.30%	31.61%
Arvid Svensson Invest	42,444,700	24,199,429	-	4.04%	12.68%
Dragfast AB	36,163,467	14,000,000	-	3.04%	10.62%
Sven-Olof Johansson	22,315,456	32,684,544	-	3.34%	7.23%
BlackRock	-	80,553,193	11,197	4.89%	2.28%
Vanguard	-	43,835,080	7,901,660	3.14%	1.46%
Avanza Pension	-	27,142,843	17,840,214	2.73%	1.27%
Læringsverkstedet Gruppen AS	-	-	44,197,779	2.68%	1.25%
Futur Pension	-	34,631,016	2,279,428	2.24%	1.04%
Swedbank Försäkring	-	27,480,129	3,021,974	1.85%	0.86%
Marjan Dragicevic	-	30,500,000	-	1.85%	0.86%
Handelsbanken Fonder	-	22,155,588	2,658,851	1.51%	0.70%
Gösta Welandson and companies	-	23,146,364	224,000	1.42%	0.66%
Lennart Schuss	-	20,954,872	-	1.27%	0.59%
Capital Group	-	19,220,175	-	1.17%	0.54%
Other	-	817,443,004	114,700,802	56.54%	26.34%
Total	209,977,491	1,244,638,157	193,865,905	100.00%	100.00%

Parent Company

Income statement of Parent Company

Amounts in SEKm	01-01-2023 30-09-2023	01-01-2022 30-09-2022	01-07-2023 30-09-2023	01-07-2022 30-09-2022	01-01-2022 31-12-2022
Net sales	-	-	-	-	-
Personnel costs	-56	-75	-17	1	-86
Other operating expenses	-176	-91	-104	-76	-115
Operating profit ¹⁾	-232	-166	-121	-75	-201
Profit from financial items					
Results from associated companies/joint ventures	-3,682	93	-46	-454	-111
Interest income and similar items	5,720	2,388	2,194	524	2,958
Interest expenses and similar items	-5,750	-2,305	-2,255	-565	-2,579
Translation gains/losses	-897	-1,963	961	-760	-2,734
Changes in value, derivatives	-1,942	897	-519	996	265
Profit after financial items	-6,782	-1,056	214	-334	-2,402
Appropriations	-	-	-	-	781
Profit before tax	-6,782	-1,056	214	-334	-1,621
Tax	158	-67	332	31	103
PROFIT/LOSS FOR THE PERIOD	-6,624	-1,123	547	-303	-1,518

¹⁾ New summary line and new definition. For further information, see Definitions on pages 28-29.

Statement of comprehensive income of Parent Company

Amounts in SEKm	01-01-2023 30-09-2023	01-01-2022 30-09-2022	01-07-2023 30-09-2023	01-07-2022 30-09-2022	01-01-2022 31-12-2022
Profit for the period	-6,624	-1,123	547	-303	-1,518
Other comprehensive income	-	-	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	-6,624	-1,123	547	-303	-1,518

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 -232m (-166).

Parent Company balance sheet, condensed

Amounts in SEKm	30-09-2023	30-09-2022	31-12-2022
ASSETS			
Fixed assets			
Financial fixed assets			
Shares in Group companies	36,501	35,567	28,213
Participations in associated companies/joint ventures	844	7,307	7,103
Receivables from Group companies	5,747	32,819	29,098
Receivables from associated companies/joint ventures	123	63	55
Deferred tax assets	733	56	400
Financial fixed assets at fair value	717	1,100	1,102
Derivatives	1,063	2,016	1,501
Other non-current receivables	1,173	-	-
Total financial fixed asset	46,900	78,928	67,472
Total fixed assets	46,900	78,928	67,472
Current assets			
Current receivables			
Financial fixed assets at fair value	555	-	-
Derivatives	260	-	174
Accounts receivable	35	10	14
Current tax assets	60	-	-
Other receivables	37	342	727
Prepaid expenses and accrued income	146	89	93
Total current receivables	1,092	441	1,008
Cash investments	148	512	421
Cash and bank balances	1,433	4,279	4,658
Total current assets	2,674	5,232	6,087
TOTAL ASSETS	49,574	84,160	73,559
EQUITY AND LIABILITIES			
<i>Restricted equity</i>			
Share capital	165	165	165
<i>Unrestricted equity</i>			
Share premium fund	27,711	26,305	26,305
Retained earnings	-21,145	-5,969	-15,657
Hybrid bonds	16,519	17,979	16,649
Profit for the year	-6,624	-1,123	-1,518
Total non-restricted equity	16,461	37,192	25,779
Total equity	16,629	37,357	25,946
Untaxed reserves	85	85	85
Long-term liabilities			
Liabilities to credit institutions	1,856	9,264	13,724
Bond loans	23,312	25,901	22,842
Derivatives	406	294	375
Total long-term liabilities	25,574	35,459	36,941
Current liabilities			
Liabilities to credit institutions	2,313	29	1,392
Commercial papers	55	4,472	1,111
Bond loans	214	2,458	3,466
Derivatives	1,289	-	596
Accounts payable	10	52	36
Current tax liabilities	-	105	100
Liability, cash collateral	-	2,173	2,178
Other liabilities	797	96	176
Liability, dividend	2,133	1,411	834
Accrued expenses and prepaid income	475	463	698
Total current liabilities	7,286	11,259	10,587
TOTAL EQUITY AND LIABILITIES	49,574	84,160	73,559

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.

Updated presentation format for the consolidated income statement as of the first quarter of 2023

SBB has amended the presentation format for the income statement in its interim report for the first quarter of 2023, without affecting the cash flow for the period, the balance sheet or profit.

The presentation has been updated to achieve consistent financial reporting for all interim periods and the 2023 full year, and as a consequence of the disposal of shares in JM, a holding not considered to be part of the current operations, with profit from the holding therefore being reported as a financial item. SBB also took other holdings into account in a corresponding manner.

As a consequence of the changed presentation format in connection with the disposal of JM, SBB is also making the amendments that it perceives to be required by an updated IAS1, meaning:

- Value changes in investment properties are transferred to operating profit/loss, with the line operating profit/loss being introduced.
- Other items previously reported after financial items but before tax are also now reported under financial items, such as value changes in financial instruments, or as part of operating profit, such as impairment/dissolution of goodwill.

This has also resulted in:

- The former item Profit before financial items has been removed from the income statement and is included among Key ratios (pages 42-46).
- Updated calculations for EPRA earnings.

Segment reporting

For reporting and follow-up, SBB has been divided into three segments: As of the third quarter of 2023, the segmentation has been restructured and now comprises Residential, Education and Community. 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. The comparison figures have been reclassified in accordance with the new segmentation.

Reclassification, property administration

In the income statement, the Group has, as of 1 January 2023, transitioned to classifying what were previously classified as property administration costs as administration costs. Due to the difficulty in distinguishing property administration costs from central administration costs, it is the company's view that the new classification provides a fairer view of the company's net operating income, while also facilitating comparisons between the company and other companies in the same industry. Although the company's net operating income is affected positively, profit before financial items,

changes in the value of properties and goodwill are not affected. In summary, the company takes the view that the new classification provides reliable and more relevant information. Presented below are the effects of the change on the preceding year's consolidated profit:

Risks and uncertainties

A real estate company is exposed to various risks and opportunities in their business. To limit the exposure to various risks is internal regulations and policies. These are described in SBB's Annual Report 2022, pages 72-73.

After the end of the period, SBB has received a letter from one of the bondholders within the 2020 and 2021 EMTN programs purporting to accelerate. The bondholder holds the equivalent of approx. 1% of total outstanding bond loans. The bondholder claims that its bond holdings are due payable, since SBB according to the bondholder's opinion is in breach with the consolidated interest coverage ratio in the EMTN programs.

SBB has for some time been engaging experienced legal and financial advisors. SBB makes the assessment that the company is not in breach with the consolidated interest coverage ratio in the EMTN programs, whereby SBB makes the assessment that the company would likely win any eventual trial. Nevertheless, a trial always includes an element of uncertainty including the possibility that the court may make another assessment of a matter of fact. However, SBB notes that the bondholder at the end of the period still has not initiated such legal proceedings. SBB, therefore, makes the overall assessment that the claim does not have a significant impact on the preparation of this interim report.

Reclassification, property administration

	01-01-2022 – 30-09-2022			01-07-2022 – 30-09-2022			01-01-2022 – 31-12-2022		
	Before adjustment	Adjustment	After adjustment	Before adjustment	Adjustment	After adjustment	Before adjustment	Adjustment	After adjustment
Amounts in SEKm									
Rental income	5,597	-	5,597	1,888	-	1,888	7,447	-	7,447
Operating costs	-1,116	-	-1,116	-312	-	-312	-1,567	-	-1,567
Maintenance	-259	-	-259	-84	-	-84	-393	-	-393
Property administration	-348	348	-	-130	130	-	-465	465	-
Property tax	-98	-	-98	-29	-	-29	-141	-	-141
Net operating income	3,776	348	4,124	1,333	130	1,463	4,881	465	5,346
Administration	-320	-348	-668	-43	-130	-173	-433	-465	-898
Acquisition and restructuring costs	-96	-	-96	-66	-	-66	-120	-	-120
Profit before financial items, value changes in properties and goodwill	3,360	-	3,360	1,224	-	1,224	4,328	-	4,328

The Board of Directors and the CEO provide their assurance that the interim report provides a fair overview of 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.

This interim report has been reviewed by the company's auditors.

Stockholm, 13 November 2023

Lennart Schuss
Chairman of the Board

Leiv Synnes
CEO

Sven-Olof Johansson
Board Member

Ilija Batljan
Board Member

Eva Swarts Grimaldi
Board Member

Fredrik Svensson
Board Member

Lars Rodert
Board Member

Hans Runesten
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 13 November 2023 at 8:00 a.m. CET.

Leiv Synnes, CEO, ir@sbbnorden.se

Helena Lindahl, IR, ir@sbbnorden.se

Review report

*This is a translation from
the swedish original*

Samhällsbyggnadsbolaget i Norden AB, corporate identity number 556981-7660

Introduction

We have reviewed the condensed interim report for Samhällsbyggnadsbolaget i Norden AB as at September 30, 2023 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.

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 inquiries, 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, we do not express an audit opinion.

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.

Significant uncertainties related to the going concern assumption

We would like to draw attention to the information provided in the interim report on pages 28 - 29, where it is stated that the company's available cash and cash equivalents as of September 30, 2023 do not cover the financing needs needed to implement activities and strategic measures decided upon, over the next 12 months. Should financing not be obtained to a sufficient extent, there is a risk that the conditions for an assumption of going concern are not fulfilled.

We would also like to draw attention to information provided in the interim report on page 37, where it is stated that in November 2023 a claim was raised from one of the bondholders in the EMTN programs for 2020 and 2021, claiming that SBB has breached the interest coverage ratio condition in the EMTN

programs. As stated in the interim report, the company rejects the basis for this claim and there is currently no ongoing legal dispute regarding this claim. In the event that a legal dispute should be initiated and if the court finds that SBB has breached the condition on the interest coverage ratio, there is an additional risk that the conditions for an assumption of going concern are not fulfilled.

These above factors indicate that there are material uncertainties that may cast significant doubt as to the company's ability to continue as a going concern. We have not modified our statement because of this.

Stockholm 13 November, 2023
Ernst & Young AB

Jonas Svensson
Authorized Public Accountant

Definitions

Financial definitions

Actual net asset value (EPRA NTA), SEK

Recognized equity attributable to the ordinary share, excluding equity related to Class D shares, non-controlling interests and the hybrid bond, adding back reported deferred tax liabilities, 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 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.

Solvency ratio, %

Interest bearing net debt in relation to total assets excluding Cash and cash equivalents and Cash investments.
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 market 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/loss for the period after dividends to holders of Class D shares and interest on hybrid bonds adjusted for unrealized value changes on properties and profit/loss on the disposal of properties, tax on profit in connection with disposals, goodwill impairment, changes in the value of financial instruments including costs for early redemption of loans, value changes in properties, less tax related to associated companies and joint ventures, profit/loss attributable to minority interests less tax attributable to the adjustments.
The key figure provides information on profit from property management calculated in a uniform manner for listed property companies.

Profit from property management, excl. translation gains/losses, SEK

Profit before tax, excl. changes in the value and impairment of properties, goodwill, joint ventures/associated companies and financial instruments, as well as translation gains/losses and profit from production of residentials.
The key ratio provides a measurement of the operations' profit generation regardless of changes in value and translation gains/losses.

Average number of ordinary shares

The number of ordinary shares outstanding weighted over the period.

Average interest, %

Weighted average contracted interest, including interest rate derivatives, 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.

Debt maturity, years

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 Class D shares, non-controlling interests and the hybrid bond, with the reversal of a recognized deferred tax liability, goodwill attributable to deferred tax, interest rate 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 and others, bond loans and commercial papers less cash and cash equivalents.

Profit before financial items, SEK

Profit before financial items, value changes in properties and goodwill, including profit/loss from associated companies/joint ventures, excluding value changes after tax.

Earnings per Class A and B ordinary share, SEK

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

Interest-bearing liabilities

Liabilities to credit institutions and others, bond loans and commercial papers.
The key ratio is used to illustrate SBB's financial risk.

Interest-coverage ratio, multiple

Profit before financial items (past 12 months) in relation to net interest income, excluding costs for early repayment of loans, translation gains/losses 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 (NIY), %

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 (WAULT), 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	01-01-2023 30-09-2023	01-01-2022 30-09-2022	01-07-2023 30-09-2023	01-07-2022 30-09-2022	01-01-2022 31-12-2022
Profit for the period	-18,559	-1,861	-4,762	-2,080	-9,811
OB equity	63,337	82,971	54,719	79,019	82,971
CB equity	50,354	77,049	50,354	77,049	63,337
Average equity	56,846	80,010	52,537	78,034	73,154
Return on equity	-33%	-2%	-9%	-3%	-13%

Loan-to-value ratio

Amounts in SEKm	30-09-2023	30-09-2022	31-12-2022
Interest-bearing debt	75,249	95,376	87,085
Cash, cash equivalents, and cash investments	-2,371	-5,453	-4,850
Interest-bearing net debt	72,878	89,923	82,235
Total assets	139,934	191,687	168,370
Cash and cash equivalents and Cash investments	-2,371	-5,453	-4,850
Total assets less Cash and cash equivalents and Cash investments	137,563	186,234	163,520
Loan-to-value ratio	53%	48%	50%

Yield

Amounts in SEKm	30-09-2023	30-09-2022	31-12-2022
Net operating income according to earnings capacity (full year)	5,131	5,328	5,246
Investment properties	76,198	154,511	135,616
Investment properties <i>reported under assets held for sale</i>	42,092	-	-
Building rights and projects in progress	-10,226	-15,384	-13,647
Property value excluding building rights	108,064	139,127	121,969
Yield	4.7%	3.8%	4.3%

Net operating income in accordance with earnings capacity

Amounts in SEKm	30-09-2023	30-09-2022	31-12-2022
Net operating income, <i>continuing operations</i>	2,496	2,831	3,615
Net operating income, <i>discontinued operations</i>	1,488	1,293	1,731
Recalculation of net operating income to full-year basis	1,328	1,375	-
Adjustment to normalized net operating income	-180	-171	-100
Net operating income in accordance with earnings capacity	5,131	5,328	5,246

Non-pledged quota

Amounts in SEKm	30-09-2023	30-09-2022	31-12-2022
Intangible assets	2,717	5,874	5,283
Non-pledged property value	61,431	118,793	85,032
Land lease agreements	435	702	829
Land lease agreements, reported under assets held for sale	391	-	-
Equipment, machinery and installations	101	48	37
Equipment, machinery and installations, reported under Assets held for sale	2	-	-
Deferred tax assets	1,374	1,027	1,220
Deferred tax assets, reported under Liabilities attributable to assets for sale	7	-	-
Financial fixed assets, excluding derivatives and pledged shares	12,380	19,667	11,340
Cash investments	184	512	421
Accounts receivable and other receivables	656	2,387	1,540
Accounts receivable and other receivables, reported under Assets held for sale	53	-	-
Derivatives	1,343	2,133	1,696
Non-pledged assets	81,075	151,143	107,398
Unsecured loans	48,334	58,903	52,423
Cash and cash equivalents	-2,187	-4,941	-4,429
Net unsecured senior debt	46,147	53,962	47,994
Non-pledged quota	1.76	2.80	2.24

Economic letting ratio

Amounts in SEKm	30-09-2023	30-09-2022	31-12-2022
Rental income in accordance with earnings capacity	6,498	7,178	6,728
Rental value in accordance with earnings capacity	6,749	7,541	7,059
Economic letting ratio	96.3%	95.2%	95.3%

EPRA earnings

Amounts in SEKm	01-01-2023 30-09-2023	01-01-2022 30-09-2022	01-07-2023 30-09-2023	01-07-2022 30-09-2022	01-01-2022 31-12-2022
Profit for the period	-18,559	-1,861	-4,762	-2,080	-9,811
Unrealized changes in value, properties, continuing operations	9,021	657	2,440	1,740	3,526
Unrealized changes in value, properties, discontinued operations	2,277	-210	965	244	890
Profit/loss on sales of properties	1,473	534	1,082	516	3,357
Tax on profit/loss on sales of properties	-	19	-	-	19
Impairment of goodwill, continuing operations	-	-	-	-	395
Impairment of goodwill, discontinued operations	2,365	-	-2,365	-	-
Changes in the value of financial instruments	2,197	1,160	137	-628	1,136
Tax in respect of EPRA adjustments	-2,363	-36	-1,309	-428	-674
Adjustments in respect of associated companies/joint ventures	4,458	768	443	838	2,524
Adjustments in respect of minority	-404	-43	-381	8	-41
EPRA earnings	465	989	979	211	1 321
Average number of Class A and B ordinary shares	1,454,254,329	1,453,757,283	1,454,310,545	1,454,141,898	1,453,854,227
Average number of Class A and B ordinary shares after dilution	1,454,254,329	1,453,757,283	1,454,310,545	1,454,141,898	1,453,854,227
EPRA Earnings per Class A and B ordinary share	0.32	0.68	0.67	0.14	0.91
EPRA Earnings per Class A and B ordinary share after dilution	0.32	0.68	0.67	0.14	0.91
Company specific adjustments					
Profit attributable to Class D shares	-291	-291	-97	-97	-388
Profit attributable to hybrid bond	-417	-382	-139	-138	-490
EPRA Earnings (Company specific)	-243	316	743	-24	443
EPRA Earnings (Company specific) per Class A and B ordinary share	-0.17	0.22	0.51	-0.02	0.30
EPRA Earnings (Company specific) per Class A and B ordinary share after dilution	-0.17	0.22	0.51	-0.02	0.30

Profit from property management, excl translation gains/losses

Amounts in SEKm	01-01-2023	01-01-2022	01-07-2023	01-07-2022	01-01-2022
	30-09-2023	30-09-2022	30-09-2023	30-09-2022	31-12-2022
Continuing operations					
Profit before financial items, value changes in properties and goodwill	1,873	2,129	628	801	2,686
Interest income and similar items	177	180	38	23	238
Interest expenses and similar items	-976	-655	-253	-209	-1,054
Results of early repayment of loans	-113	-5	-1	-2	424
Leasing costs	-5	-15	-1	-5	-19
Profit from property management from associated companies/joint ventures	316	627	-178	230	941
Discontinued operations					
Profit before financial items, value changes in properties and goodwill	1,299	1,232	503	424	1,642
Interest income and similar items	1	-	-	-	1
Interest expenses and similar items	-476	-343	-162	-185	-472
Leasing costs	-5	-3	-1	-1	-5
Profit from property management, excl translation gains/losses	2,092	3,146	574	1,076	4,382

Adjusted equity/assets ratio

Amounts in SEKm	30-09-2023	30-09-2022	31-12-2022
Equity	50,354	77,049	63,337
Deferred tax excl. deferred tax attr. to goodwill	2,586	8,770	7,726
Deferred tax, reported under liabilities attributable to assets held for sale	2,634	-	-
Total	55,574	85,819	71,063
Total assets	139,934	191,687	168,370
Adjusted equity/assets ratio	40%	45%	42%

Profit before financial items

Amounts in SEKm	01-01-2023	01-01-2022	01-07-2023	01-07-2022	01-01-2022
	30-09-2023	30-09-2022	30-09-2023	30-09-2022	31-12-2022
Continuing operations					
Profit before financial items, value changes in properties and goodwill	1,873	2,129	628	801	2,686
Result from associated companies / joint ventures excl. value changes after tax	96	-1,256	-258	-1,544	658
Profit before financial items	1,969	873	371	-743	3,344

Earnings per Class A and B ordinary share (continuing operations)

Amounts in SEKm	01-01-2023	01-01-2022	01-07-2023	01-07-2022	01-01-2022
	30-09-2023	30-09-2022	30-09-2023	30-09-2022	31-12-2022
Continuing operations					
Profit for the period	-15,536	-2,963	-2,473	-2,099	-10,361
Profit attributable to Class D shares	-291	-291	-97	-97	-388
Profit attributable to hybrid bond	-417	-382	-139	-138	-490
Profit attributable to minority interest	-432	131	94	91	177
Profit attributable to Class A and B ordinary shares	-16,676	-3,505	-2,615	-2,243	-11,062
Average No. Class A and B ordinary shares ¹⁾	1,454,254,329	1,453,757,283	1,454,310,545	1,454,141,898	1,453,854,227
Earnings per Class A and B ordinary share	-11.47	-2.41	-1.80	-1.54	-7.61
Average number of Class A and B ordinary shares after dilution	1,454,254,329	1,453,757,283	1,454,310,545	1,454,141,898	1,453,854,227
Earnings per Class A and B ordinary share after dilution	-11.47	-2.41	-1.80	-1.54	-7.61

Earnings per Class A and B ordinary share (discontinued operations)

Amounts in SEKm	01-01-2023	01-01-2022	01-07-2023	01-07-2022	01-01-2022
	30-09-2023	30-09-2022	30-09-2023	30-09-2022	31-12-2022
Discontinued operations					
Profit for the period	-3,022	1,103	-2,289	19	550
Profit attributable to Class D shares	-291	-291	-97	-97	-388
Profit attributable to hybrid bond	-417	-382	-139	-138	-490
Profit attributable to minority interest	-432	131	94	91	177
Profit attributable to Class A and B ordinary shares	-4,162	561	-2,430	-125	-151
Average No. Class A and B ordinary shares ¹⁾	1,454,254,329	1,453,757,283	1,454,310,545	1,454,141,898	1,453,854,227
Earnings per Class A and B ordinary share	-2.86	0.39	-1.67	-0.09	-0.10
Average number of Class A and B ordinary shares after dilution	1,454,254,329	1,453,757,283	1,454,310,545	1,454,141,898	1,453,854,227
Earnings per Class A and B ordinary share after dilution	-2.86	0.39	-1.67	-0.09	-0.10

Earnings per Class A and B ordinary share (continuing and discontinued operations)

Amounts in SEKm	01-01-2023 30-09-2023	01-01-2022 30-09-2022	01-07-2023 30-09-2023	01-07-2022 30-09-2022	01-01-2022 31-12-2022
Profit for the period	-18,559	-1,861	-4,762	-2,080	-9,811
Profit attributable to Class D shares	-291	-291	-97	-97	-388
Profit attributable to hybrid bond	-417	-382	-139	-138	-490
Profit attributable to minority interest	-432	131	94	91	177
Profit attributable to Class A and B ordinary shares	-19,698	-2,403	-4,904	-2,224	-10,512
Average No. Class A and B ordinary shares ¹⁾	1,454,254,329	1,453,757,283	1,454,310,545	1,454,141,898	1,453,854,227
Earnings per Class A and B ordinary share	-13.55	-1.65	-3.37	-1.53	-7.23
Average number of Class A and B ordinary shares after dilution	1,454,254,329	1,453,757,283	1,454,310,545	1,454,141,898	1,453,854,227
Earnings per Class A and B ordinary share after dilution	-13.55	-1.65	-3.37	-1.53	-7.23

Interest-bearing liabilities

Amounts in SEKm	30-09-2023	30-09-2022	31-12-2022
Liabilities to credit institutions	19,005	35,717	33,896
Liabilities to credit institutions, <i>reported within liabilities attributable to assets held for sale</i>	6,405	-	-
Other secured loans, <i>reported under Liabilities attributable to assets held for sale</i>	382	-	-
Bond loans	49,402	57,201	52,078
Commercial papers	55	2,458	1,111
Interest-bearing liabilities	75,249	95,376	87,085

Interest-bearing net debt

Amounts in SEKm	30-09-2023	30-09-2022	31-12-2022
Interest-bearing liabilities	75,249	95,376	87,085
Cash and Cash equivalents and Cash investments	-2,371	-5,453	-4,850
Interest-bearing net debt	72,878	89,923	82,235

Interest coverage ratio

Amounts in SEKm	01-10-2022 30-09-2023	01-10-2021 30-09-2022 ¹⁾	01-01-2022 31-12-2022
Profit before financial items, value changes properties and goodwill (rolling 12-month), continuing operations	2,430	N/A	2,686
Profit before financial items, value changes properties and goodwill (rolling 12-month), discontinued operations	1,709	N/A	1,642
Profit from associated companies/joint ventures excluding value changes after tax (rolling 12-month), continuing operations	501	N/A	658
Total profit before financial items (rolling 12-month)	4,640	4,861	4,986
Interest income and similar income items (rolling 12 months), continuing operations	235	N/A	238
Interest income and similar income items (rolling 12 months), discontinued operations	2	N/A	1
Interest expenses and sim. items (rolling 12-month), continuing operations	-1,375	N/A	-1,054
Interest expenses and sim. items (rolling 12-month), discontinued operations	-605	N/A	-472
Total net interest (rolling 12-month)	-1,743	-1,019	-1,287
Interest-coverage ratio (multiple)	2.6	4.8	3.9

1) In accordance with IFRS 5, continuing and discontinued operations have only been recalculated for 2023 and 2022, meaning that it is not possible to calculate rolling-12 month figures for the continuing operations for the period 01-10-2021--30-09-2022.

Interest coverage ratio, excl discontinued operations

Amounts in SEKm	01-10-2022 30-09-2023	01-10-2021 30-09-2022 ¹⁾	01-01-2022 31-12-2022
Continuing operations			
Profit before financial items, value changes properties and goodwill (rolling 12-month)	2,430	N/A	2,686
Profit from associated companies/joint ventures excluding value changes after tax (rolling 12-month)	501	N/A	658
Profit before financial items (rolling 12-month)	2,931	N/A	3,344
Continuing operations			
Interest income and similar income items (rolling 12 months)	235	N/A	238
Interest expenses and sim. items (rolling 12-month)	-1,375	N/A	-1,054
Total net interest	-1,140	N/A	-816
Interest-coverage ratio (multiple)	2.5	N/A	4.1

1) In accordance with IFRS 5, continuing and discontinued operations have only been recalculated for 2023 and 2022, meaning that it is not possible to calculate rolling-12 month figures for the continuing operations for the period 01-10-2021--30-09-2022.

Equity/assets ratio

Amounts in SEKm	30-09-2023	30-09-2022	31-12-2022
Equity	50,354	77,049	63,337
Total assets	139,935	191,687	168,370
Equity/assets ratio	36%	40%	38%

Net asset value

Amounts in SEKm	30-09-2023	30-09-2022	31-12-2022
Current net asset value (EPRA NTA)			
<i>Equity excluding non-controlling interests</i>			
Equity	50,354	77,049	63,337
Hybrid bonds	-16,815	-17,651	-16,325
Non-controlling interest	-12,393	-2,266	-2,691
Equity excluding non-controlling interests	21,145	57,131	44,319
Reversal of derivatives	352	-1,839	-725
Goodwill attributable to deferred tax	-622	-1,590	-1,394
Other goodwill	-2,095	-4,284	-3,889
Stamp duty	228	217	221
Reversal of deferred tax	3,208	10,360	9,120
Deduction of deferred tax	-1,950	-3,525	-2,025
Total net asset value	20,266	56,470	45,627
Number of shares A + B + D	1,648,481,553	1,648,007,803	1,648,007,803
Total net asset value per share	12.29	34.27	27.69
Current net asset value per Class D share ¹⁾	12.29	31.00	27.69
Number of Class D shares	193,865,905	193,865,905	193,865,905
Total net asset value for Class D shares	2,383	6,010	5,367
Total net asset value	20,266	56,470	45,627
Current net asset value (EPRA NTA)	17,882	50,460	40,260
Current net asset value (EPRA NTA), SEK/share	12.29	34.70	27.69
Current net asset value (EPRA NTA), SEK/share (diluted)	12.29	34.69	27.68
Long-term net asset value (EPRA NRV)			
Total equity ratio	20,266	56,470	45,627
Reversal of other goodwill	2,095	4,284	3,889
Reversal of deduction for deferred taxes	1,950	3,525	2,025
Total net asset value after reversal of other goodwill and deductions for deferred tax	24,311	64,279	51,541
Number of shares A + B + D	1,648,481,553	1,648,007,803	1,648,007,803
Total net asset value after reversal of other goodwill and deductions for deferred tax per share (A+B+D)	14.75	39.00	31.27
Long-term Net asset per Class D share ¹⁾	14.75	31.00	31.00
Number of Class D shares	193,865,905	193,865,905	193,865,905
Total equity ratio for Class D shares	2,859	6,010	6,010
Total equity ratio	24,311	64,279	51,541
Long-term net asset value (EPRA NRV)	21,452	58,269	45,531
Long-term net asset value (EPRA NRV), SEK/share	14.75	40.07	31.31
Long-term net asset value (EPRA NRV), SEK/share (diluted)	14.75	40.06	31.30
Number of Class A and B ordinary shares	1,454,615,648	1,454,141,898	1,454,141,898
Number of Class A and B ordinary shares after dilution	1,454,615,648	1,454,599,069	1,454,536,323
Number of Class D shares	193,865,905	193,865,905	193,865,905

1) In accordance with the Articles of Association, Class A, B and D shares convey equal entitlement to equity in connection with a possible liquidation. This entitlement is, however, limited to SEK 31 for Class D shares

Secured loan-to-value ratio

Amounts in SEKm	01-07-2023 30-09-2023	01-07-2022 30-09-2022	01-01-2022 31-12-2022
Liabilities to credit institutions	19,005	35,717	33,896
Liabilities to credit institutions, <i>reported under Liabilities attributable to assets held for sale</i>	6,405	-	-
Other secured loans	740	756	766
Other secured loans, <i>reported under Liabilities attributable to assets held for sale</i>	382	-	-
Total secured loans	26,532	36,473	34,662
Balance sheet total	139,935	191,687	168,370
Secured loan-to-value ratio	19%	19%	21%

Surplus ratio

Amounts in SEKm	01-01-2023 30-09-2023	01-01-2022 30-09-2022	01-07-2023 30-09-2023	01-07-2022 30-09-2022	01-01-2022 31-12-2022
Net operating income, continuing operations	2,496	2,831	927	1,017	3,615
Net operating income, discontinued operations	1,488	1,293	526	447	1,731
Net operating income, total operations	3,984	4,124	1,454	1,464	5,346
Rental income, continuing operations	3,512	4,056	1,195	1,364	5,365
Rental income, discontinued operations	1,753	1,542	598	524	2,082
Rental income total operations	5,265	5,597	1,793	1,888	7,447
Surplus ratio	76%	74%	81%	78%	72%

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 2023. 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 2023.
- Operating and maintenance costs are based on budget.
- The property tax is calculated from the properties current tax assessment value as of 30 September 2023.
- Cost for 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.

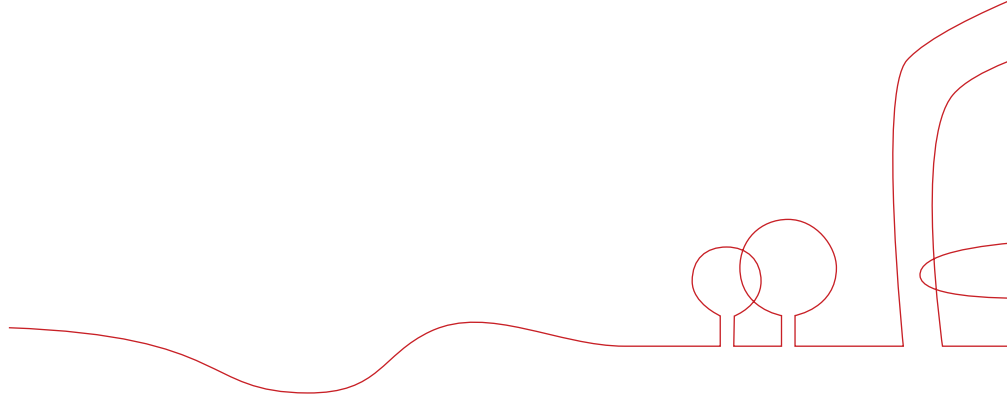
Group's earning capacity

Amounts in SEKm	Residentials	Community	Education	Total
Rental income	1,308	2,832	2,358	6,498
Operating costs	-343	-421	-249	-1,013
Maintenance	-72	-114	-65	-250
Property tax	-24	-64	-16	-105
Net operating income	870	2,234	2,027	5,131
Administration				-489
Profit before net financial items plus profit from joint ventures and associated companies				4,641
per Class A and B ordinary share				3.19
Profit from joint ventures/associated companies				208
Financial income				154
Financial costs ¹⁾				-1,676
Operating profit				3,327
per Class A and B ordinary share				2.29
Dividend hybrid bonds				-563
Dividend Class D shares				-388
Profit attributable to minority interests				-712
Profit attributable to ordinary shareholders				1,664
per Class A and B ordinary share				1.14

1) Adjusted for non-long-term surplus liquidity held by the Group at the end of the period with an estimated average interest rate of 2.29 percent, which is the weighted average in the debt portfolio as of 30 September 2023.

Contributing to earnings capacity

	Joint ventures				Associated companies			
	SBB Kápan	Public Property Invest AS	SBB Residential Property AB	Other joint ventures	Solon Eiendom	Origa Care	Publicus	Preservium Property
Share of capital SBB	50.0%	44.8%	62.0%	50.0%	25.0%	34.7%	31.2%	34.7%
Profit from property management	21	309	-	10	111	28	18	33
Profit from property management attributable to SBB's share of capital	11	138	-	5	28	10	6	11



Samhällsbyggnadsbolaget

Upcoming report dates

Interim report Q4 2023	26-02-2024
Interim report Q1 2024	25-04-2024
Interim report Q2 2024	15-07-2024
Interim report Q3 2024	24-10-2024

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