

Correction page of Year-end report 2023

In connection with the completion and the statutory audit of SBB's annual report for 2023, figures have been corrected compared to the Year-End report 2023 which was published on 02/27/2024. The differences relate to Impairment of goodwill, the reporting of divestments of subsidiaries

and affect Changes in property values, Deferred tax and Profit for the year from discontinued operations, as well as the reporting of repurchases of bonds, which affects Interest income and similar items, and Results of early repayment of loans. See table below for more information.

Consolidated income statement (SEKm)	Year end report published 2024-02-27	Correction	After correction
Changes in value, property	-13,277	-44	-13,321
Goodwill impairment	-1,150	1,150	-
Operating profit	-12,430	1,106	-11,324
Interest income and similar items	420	-154	266
Results of early repayment of loans	-118	154	36
Profit before tax	-22,285	1,106	-21,179
Deferred tax	2,013	555	2,569
PROFIT FOR THE PERIOD, continuing operations	-20,488	1,661	-18,827
Profit for the period, discontinued operations	-2,251	-511	-2,763
PROFIT FOR THE PERIOD	-22,740	1,150	-21,590
Consolidated balance sheet (SEKm)			
Goodwill	1,542	1,150	2,692
Total fixed assets	101,255	1,150	102,405
TOTAL ASSETS	106,957	1,150	108,107
Retained earnings, incl. comprehensive income for the year	-9,117	1,150	-7,967
Equity attributable to Parent Company shareholders	16,759	1,150	17,909
Total equity	35,981	1,150	37,131
Key ratios			
Return on equity	-46%	3%	-43%
Non-pledged quota	1.58	0.02	1.60
EPRA earnings (company-specific), SEKm	-612	-710	-1,322
EPRA earnings (EPS) (company-specific), SEK/share	-0.42	-0.49	-0.91
EPRA earnings after dilution (EPS) (company specific), SEK/share	-0.42	-0.49	-0.91
Adjusted equity/assets ratio	36%	1%	37%
Long-term net asset value (EPRA NRV), mSEK	17,873	1,015	18,888
Long-term net asset value (EPRA NRV), SEK/share	12.29	0.70	12.99
Long-term net asset value (EPRA NRV) after dilution, SEK/share	12.29	0.70	12.99
Earnings per Class A and B ordinary share before dilution, continuing operations	-15.05	1.14	-13.91
Earnings per Class A and B ordinary share after dilution, continuing operations	-15.05	1.14	-13.91
Earnings per Class A and B ordinary share before dilution, discontinued operations	-2.51	-0.35	-2.86
Earnings per Class A and B ordinary share after dilution, discontinued operations	-2.51	-0.35	-2.86
Interest coverage ratio, continuing operations	2.0	-0.2	1.8
Interest coverage ratio, continuing and discontinued operations	2.3	-0.2	2.1

Correction of Consolidated income statement, Consolidated statement of comprehensive income, Consolidated balance sheet, Consolidated changes in equity and Consolidated cash flow statement, condensed are presented on the pages below.

Consolidated income statement

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Continuing operations				
Rental income	4,581	5,365	1,069	1,309
Property costs				
Operating costs	-1,021	-1,309	-256	-378
Maintenance	-257	-314	-81	-108
Property tax	-95	-127	-19	-39
Net operating income	3,209	3,615	713	784
Administration	-878	-809	-294	-203
Acquisition and restructuring costs	-90	-120	-51	-24
Profit before financial items, value changes in properties and goodwill	2,241	2,686	368	557
Changes in value, property	-13,321	-3,681	-2,828	-2,490
Capital loss on the distribution of Neobo	-	-3,202	-	-3,202
Reversal/impairment of goodwill regarding deferred tax	-227	-387	-26	-195
Goodwill impairment	-	-395	-	-395
Results, production of residentials	-17	-17	-14	-20
Operating profit	-11,324	-4,997	-2,499	-5,745
Profit/loss from joint ventures and associated companies	-6,017	-1,866	-1,655	-1,379
<i>of which, profit from property management</i>	169	941	-147	314
<i>of which, change in value</i>	-2,498	-1,970	-1,607	-1,002
<i>of which, tax</i>	196	-90	154	57
<i>of which, gain/loss on sales</i>	-3,416	-	24	-
<i>of which, impairment</i>	-469	-747	-79	-747
Interest income and similar items	266	238	88	58
Interest expenses and similar items	-1,406	-1,054	-430	-399
Results of early repayment of loans	36	424	149	429
Translation gains/losses	-144	-1,991	1,024	-580
Leasing costs	-10	-19	-4	-5
Changes in the value of financial instruments	-2,580	-1,560	-495	-405
Profit before tax	-21,179	-10,825	-3,822	-8,025
Tax for the year	-443	-277	39	-70
Deferred tax	2,569	354	468	502
Reversal of deferred tax regarding business combinations	227	387	26	195
PROFIT FOR THE PERIOD, continuing operations	-18,827	-10,361	-3,290	-7,397
Profit for the period, discontinued operations	-2,763	550	260	-553
PROFIT FOR THE PERIOD	-21,590	-9,811	-3,031	-7,950
<i>Profit for the period attributable to:</i>				
Parent Company shareholders	-22,054	-9,634	-3,063	-7,905
Non-controlling interest	464	-177	32	-45
PROFIT FOR THE PERIOD	-21,590	-9,811	-3,031	-7,950

Consolidated statement of comprehensive income

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Profit for the period	-21,590	-9,811	-3,031	-7,950
Share in the comprehensive income of joint ventures and associated companies	-175	169	-	99
Translation gains/losses	-1,057	427	-368	252
COMPREHENSIVE INCOME FOR THE PERIOD	-22,822	-9,215	-3,399	-7,599
<i>Comprehensive income for the period attributable to:</i>				
Parent Company shareholders	-23,286	-9,038	-3,431	-7,553
Non-controlling interest	464	-177	32	-46
COMPREHENSIVE INCOME FOR THE PERIOD	-22,822	-9,215	-3,399	-7,599
Earnings per Class A and B ordinary share before dilution, continuing operations	-13.91	-7.61	-2.44	-5.20
Earnings per Class A and B ordinary share after dilution, continuing operations	-13.91	-7.61	-2.44	-5.20
Earnings per Class D ordinary share, continuing operations	2.00	2.00	0.50	0.50
Earnings per Class A and B ordinary share before dilution, discontinued operations	-2.86	-0.10	0.00	-0.49
Earnings per Class A and B ordinary share after dilution, discontinued operations	-2.86	-0.10	0.00	-0.49
Earnings per Class D ordinary share, discontinued operations	2.00	2.00	0.50	0.50
Earnings per Class A and B ordinary share before dilution, total continuing and discontinued operations	-15.81	-7.23	-2.26	-5.58
Earnings per Class A and B ordinary share after dilution, total continuing and discontinued operations	-15.81	-7.23	-2.26	-5.58
Earnings per Class D ordinary share, total continuing and discontinued operations	2.00	2.00	0.50	0.50

Consolidated balance sheet

Amounts in SEKm	31-12-2023	31-12-2022
ASSETS		
Fixed assets		
Intangible assets		
Goodwill	2,692	5,283
Total intangible assets	2,692	5,283
Tangible assets		
Investment properties	73,205	135,616
Land lease agreements	393	829
Equipment, machinery and installations	106	37
Total tangible assets	73,704	136,482
Financial fixed assets		
Share in joint ventures and associated companies	17,876	12,649
Receivables from joint ventures and associated companies	4,839	1,737
Derivatives	481	1,696
Financial fixed assets at fair value	849	2,298
Other non-current receivables	1,965	939
Total financial fixed asset	26,009	19,319
Total fixed assets	102,405	161,084
Current assets		
Properties held for sale	155	156
Current receivables		
Derivatives	203	-
Financial fixed assets at fair value	185	-
Accounts receivable	100	106
Other receivables	607	1,434
Prepaid expenses and accrued income	392	740
Total current receivables	1,487	2,280
Cash investments	3,845	4,429
Cash and cash equivalents	214	421
Total cash and cash equivalents and cash investments	4,060	4,850
Total current assets	5,702	7,286
TOTAL ASSETS	108,107	168,370

Amounts in SEKm	31-12-2023	31-12-2022
EQUITY AND LIABILITIES		
Share capital	165	165
Other contributed capital	26,624	26,612
Reserves	-915	142
Retained earnings, incl. comprehensive income for the year	-7,967	16,905
Equity attributable to Parent Company shareholders	17,909	43,825
Hybrid bonds	15,741	15,741
Other reserves	1,036	1,080
Non-controlling interest	2,445	2,691
Total equity	37,131	63,337
Long-term liabilities		
Liabilities to credit institutions	11,116	30,496
Bond loans	40,540	48,310
Derivatives	264	375
Deferred tax liabilities	2,726	9,120
Leasing liabilities	393	829
Other non-current liabilities	92	141
Total long-term liabilities	55,131	89,271
Current liabilities		
Liabilities to credit institutions	7,861	3,400
Commercial papers	-	1,111
Bond loans	2,576	3,768
Derivatives	1,290	596
Accounts payable	121	456
Current tax liabilities	99	310
Liability, cash collateral	-	2,178
Other liabilities	726	1,185
Approved dividend	2,133	834
Accrued expenses and prepaid income	1,040	1,924
Total current liabilities	15,845	15,762
TOTAL EQUITY AND LIABILITIES	108,107	168,370

Consolidated changes in equity

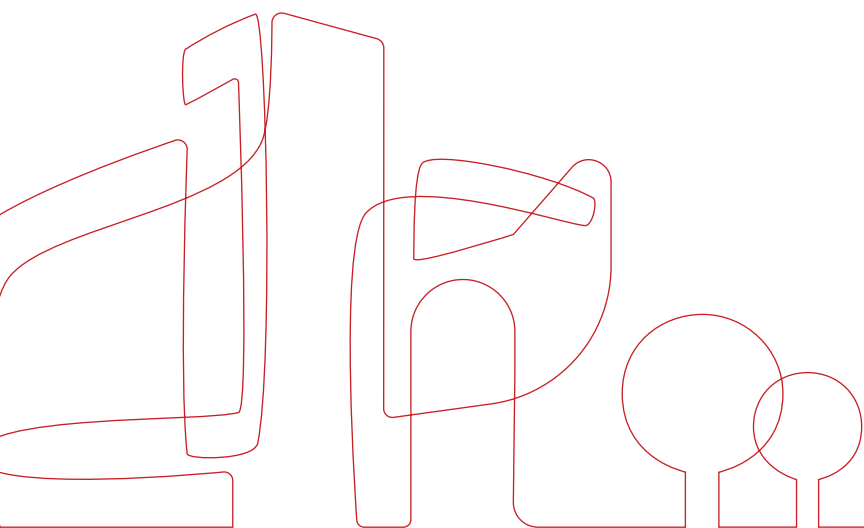
Amounts in SEKm	Equity attributable to Parent Company's shareholders					Equity attributable to hybrid bonds		Holdings without controlling influence	Total equity
	Share capital	Other contributed capital	Reserves	Retained earnings	Total	Hybrid-bond	Other reserves		
Opening equity, 1 Jan 2022	165	26,396	834	34,360	61,755	17,294	-149	4,071	82,971
Profit for the period	-	-	-	-9,633	-9,633	-	-	-177	-9,811
Other comprehensive income	-	-	-692	1,288	596	-	-	-	596
Comprehensive income for the period	-	-	-692	-8,345	-9,037	-	-	-177	-9,215
New share issue	-	210	-	-	210	-	-	-	210
Issue costs	-	-	-	-13	-13	-	-	-	-13
Redemption of part of hybrid bond	-	-	-	811	811	-1,553	15	-	-727
Tax effects in equity	-	-	-	-1,214	-1,214	-	1,214	-	-
Currency revaluation, hybrid bonds	-	6	-	175	181	-	-	-	181
Dividend	-	-	-	-2,308	-2,308	-	-	-	-2,308
Dividend hybrid bond	-	-	-	-490	-490	-	-	-	-490
Distribution of Neobo	-	-	-	-5,946	-5,946	-	-	-	-5,946
Divestiture to minority	-	-	-	-	-	-	-	712	712
Redemption minority interests	-	-	-	-124	-124	-	-	-1,915	-2,039
Closing equity, 31 Dec 2022	165	26,612	142	16,905	43,825	15,741	1,080	2,691	63,337
Opening equity, 1 Jan 2023	165	26,612	142	16,905	43,825	15,741	1,080	2,691	63,337
Profit for the period	-	-	-	-22,054	-22,054	-	-	464	-21,590
Other comprehensive income	-	-	-1,057	-175	-1,232	-	-	-	-1,232
Comprehensive income for the period	-	-	-1,057	-22,229	-23,286	-	-	464	-22,822
Warrants repurchase	-	-	-	-5	-5	-	-	-	-5
Tax effects in equity	-	12	-	-11	1	-	-	-	1
Conversion of mandatory convertibles	-	-	-	44	44	-	-44	-	-
Currency revaluation, hybrid bonds	-	-	-	99	99	-	-	-	99
Dividend	-	-	-	-2,482	-2,482	-	-	-	-2,482
Dividend hybrid bond	-	-	-	-548	-548	-	-	-	-548
Interest withheld on hybrid bonds	-	-	-	358	358	-	-	-	358
Acquired minority interests	-	-	-	-	-	-	-	9,840	9,840
Redemption minority holdings	-	-	-	-98	-98	-	-	-10,552	-10,648
Closing equity, 31 Dec 2023	165	26,624	-915	-7,967	17,909	15,741	1,036	2,445	37,131

Consolidated cash flow statement, condensed

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Operating activities				
Profit before tax, continuing operations	-21,179	-10,825	-3,822	-8,023
Profit before tax, discontinued operations	-6,090	276	-2,268	-827
<i>Adjustment for non-cash flow items</i>				
Depreciation	6	10	-	2
Changes in value, property	18,051	4,571	5,281	3,590
Capital loss on the distribution of Neobo	-	3,202	-	3,202
Dissolution of goodwill after property sales	797	387	26	195
Goodwill impairment	1,794	395	-	395
Results, production of residentials	17	17	14	19
Profit from joint ventures and associated companies	6,017	1,866	1,655	1,379
Changes in the value of financial instruments	2,580	1,560	495	405
Dividends from joint ventures and associated companies	283	304	-	7
Net interest income	1,818	2,878	-747	634
Interest paid	-2,236	-1,059	-803	-153
Interest received	220	196	136	58
Paid tax	-856	-294	-241	-80
Cash flow from operating activities before changes in working capital	1,222	3,485	-276	802
Cash flow from changes in working capital				
Increase (-)/Decrease (+) of operating receivables	1,057	164	944	533
Increase (+)/Decrease (-) of operating liabilities	-929	-1,529	-153	-53
Cash flow from operating activities	1,350	2,120	514	1,283
Investment activities				
Investments in properties	-2,901	-5,250	-524	-1,280
Property sales	-	171	-	18
Acquisitions of subsidiaries less acquired cash and cash equivalents	-1,629	-9,367	-507	-364
Disposals of subsidiaries less cash and cash equivalents	12,675	9,677	8,219	1,409
Investments/divestitures in equipment, machinery and installations	-75	1	-3	7
Investments/disposals in joint ventures and associated companies	2,470	475	193	1,896
Change in receivables from joint ventures and associated companies	781	2,159	790	154
Cash flow from financial assets	-194	1,772	320	203
Change in other non-current receivables	-998	-728	-41	-863
Cash flow from investing activities	10,129	-1,090	7,767	1,181
Financing activities				
Issue hybrid bonds	-	-	-	10
Issue costs	-	-15	-	-15
Warrants repurchase	-5	-	-1	-
Redemption of hybrid bonds	-	-727	-	-727
Redemption of mandatory convertible	1	-	-	-
Dividend paid	-1,659	-2,837	-	-601
Distribution of cash and cash equivalents in Neobo	-	-231	-	-231
Divestiture to minority	9,057	712	19	712
Redeemed minority shares	-	-2,040	-	-223
Borrowings	21,544	62,038	394	19,459
Repayment of loans	-38,885	-59,710	-6,326	-21,243
Change in cash collateral	-2,048	-3,429	-617	5
Changes in other non-current liabilities raised	-52	-202	-77	-90
Cash flow from financing activities	-12,047	-6,440	-6,609	-2,943
Profit/loss for the period	-568	-5,410	1,673	-479
Cash and cash equivalents at the beginning of the period	4,429	9,837	2,186	4,941
Profit/loss for the period, continuing operations	-568	-5,410	1,673	-479
Exchange rate change in cash and cash equivalents	-16	2	-14	-35
Cash and cash equivalents at the end of the period	3,845	4,429	3,845	4,429
of which, liquid funds attributable to discontinued operations	-	57	-	57



Samhällsbyggnadsbolaget



SAMHÄLLSBYGGNADSBOLAGET I NORDEN AB (PUBL)



Q4

JANUARY–DECEMBER 2023

Summary of period

The year

The year in brief, continuing operations

- Rental income amounted to SEK 4,581m (5,365).
- The operating surplus amounted to SEK 3,209m (3,615).
- Profit from property management, excluding exchange rate differences, amounted to SEK 1,296m (3,216).
- Cash flow from operating activities before changes in working capital was SEK 1,222m (3,485).
- The profit before tax amounted to SEK -22,285m (-10,825), of which:
 - Profit before financial items, value changes properties and goodwill are included in the amount of SEK 2,241m (2,686). The profit includes acquisition and restructuring costs of SEK -90m (-120).
 - Changes in the value of the properties are included in the amount of SEK -13,277m (-3,681).
 - The profit from joint ventures and associated companies are included in the amount of SEK -6,017m (-1,866).
 - Financial items amounted to SEK -1,258m (-2,402), of which costs for early redemption of loans are included in the amount of SEK -118m (424) and exchange rate gains/losses in the amount of SEK -144m (-1,991).
 - Changes in the values of financial instruments are included in the amount of SEK -2,580m (-1,560).
- The profit for the year amounted to SEK -20,488m (-10,361) after the deduction of deferred tax of SEK 2,240m (741) and current tax of SEK -443m (-277), corresponding to a profit per Class A and B ordinary share of SEK -15.05 (-7.61) before dilution.
- The profit for the period, including discontinued operations, amounted to SEK -22,740m (-9,811), corresponding to a profit per Class A and B ordinary share of SEK -16.60 (-7.23) before dilution.
- The value of the property portfolio amounted to SEK 73.2bn (135.6).
- Long-term net asset value (EPRA NRV) was SEK 17,873m (45,040), corresponding to SEK 12.29 (30.97) per share before dilution.

- The Board of Directors proposes no new dividend for series A and B (1.44) or for series D (2.00).

Significant events during the fourth quarter

- On 5 October, Valerum AB (public) cancelled its payment of coupon interest on an outstanding secured bond guaranteed by SBB. Accordingly, during the quarter, SBB met its commitment to repurchase the Valerum bond in accordance with the terms. SBB's commitment totalled about SEK 280m. In connection with the repurchase of the bond, SBB took control of the securities issued by Valerum in accordance with the bond.
- On 9 November, SBB contested the claim received from a bondholder with regard to Eurobonds equivalent to about one percent of the outstanding bonds under the EMTN programs. SBB denied allegations that it had breached the term and considers the demands from the Eurobond owner to be baseless.
- On 22 November, the sale of 1.16 percent of SBB EduCo AB ("EduCo") to Brookfield Super-Core Infrastructure Partners for SEK 242m was completed, as had been agreed on 24 September. In connection with the transaction, EduCo repaid loans from SBB, with SBB receiving total proceeds of SEK 8bn. As of the date of the divestment, EduCo is reported as an associated company in SBB's financial statements. On 28 November, EduCo changed its name to Nordiqus AB.
- On 24 November, SBB decided to repurchase bonds for EUR 404m. The nominal value of the securities was EUR 417m.
- In the fourth quarter, SBB completed the sale of five properties in Västervik, Fagersta and Halmstad for a value of SEK 330m. The buyer was the Municipality of Västervik, the Municipality of Fagersta and a local property company. The premises concerned are offices and an elderly care unit, with the principal tenants being the respective municipalities.
- On 6 December, Board Member Eva Swartz Grimaldi announced that she would be stepping down from the Board with immediate effect due to health reasons.

- On 7 December, Fredrik Svensson announced that he would be stepping down from his assignment as Board Member of the company due to time constraints.

- On 18 December, SBB announced that it would combine residential portfolios and residential development operations within the subsidiary Sveafastigheter in preparation for an upcoming broadening of the shareholder base. Sveafastigheter will be managed by Erik Hävermark as Acting CEO and Business Development Manager and by Martina Lous-Christensen as CFO.
- On 29 December, SBB resolved, in accordance with the terms of the hybrid bonds, to postpone the interest payments on all of its hybrid bonds.

Significant events following the end of the quarter

- On 2 February, SBB announced that the associated company Public Property Invest AS ("PPI") was assessing a possible IPO on the Oslo stock exchange. In relation to this, PPI and SBB are discussing a potential transfer of parts of SBB's Norwegian property portfolio, as well as the Norwegian organization, to PPI. This would strengthen PPI's platform and reduce its indebtedness.
- On 7 February, the new Board of Directors of Sveafastigheter was presented. The Board is headed by Chairman Peter Wågström, with a mandate to establish and lead Sveafastigheter in preparation for, and following, a possible broadening of the shareholder base.
- On 14 February, Lennart Sten was proposed as the new Chairman of the Board of SBB by the nominating committee. Lennart Schuss, Ilija Batljan, Hans Runesten, Lars Rodert, and Sven-Olof Johansson are proposed to be elected as board members.
- On 25 February SBB announced the establishment of a joint venture for community properties with Castlake, supported by Atlas SP Partners. SBB will use the proceeds from the Transaction, approximately SEK 5.2bn, to strengthen its financial position and amortise debt.

SEK 73.2BN

Property value
31 December 2023

SEK 4,581M

Rental income
January-December 2023

SEK -20,488M

Profit for the period
January-December 2023

54%

Loan-to-value ratio
31 December 2023

SEK 12,29/SHARE

Long-term net asset value per share
31 December 2023

1.78%

Average interest rate
31 December 2023

SBB key ratios

	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Property-related key ratios				
Market value of properties, SEKm	73,205	135,616	73,205	135,616
Number of properties	1,172	2,050	1,172	2,050
Number of m ² , thousands	3,048	4,627	3,048	4,627
Surplus ratio, % ¹⁾²⁾	75	72	71	66
Yield, % ¹⁾	4.8	4.3	4.8	4.3
Change in rental income, comparable portfolios %	8.8	4.0	6.2	4.6
Change in net operating income, comparable portfolios %	10.9	2.3	6.1	-0.4
Economic letting ratio, %	94.2	95.3	94.2	95.3
Average lease term, community and educational properties, years	7	10	7	10
Financial key ratios				
Rental income, SEKm	4,581	5,365	1,069	1,309
Net operating income, SEKm ¹⁾	3,209	3,615	713	784
Profit for the period, SEKm	-20,488	-10,361	-4,952	-7,397
Cash flow from operating activities before changes in working capital, SEKm ³⁾	1,222	3,485	-276	802
Equity attributable to Parent Company shareholders, SEKm	16,759	43,823	16,759	43,823
Return on equity, % ²⁾	-46	-13	-10	-11
Loan-to-value ratio, %	54	49	58	52
Secured loan-to-value ratio, %	18	21	18	21
Equity/assets ratio, %	34	38	34	38
Adjusted equity/assets ratio, %	36	42	36	42
Non-pledged quota, multiple ¹⁾	1.58	2.24	1.58	2.24
Interest coverage ratio, multiple ¹⁾²⁾	2.3	3.9	-	-
Share-related key ratios				
Current net asset value (EPRA NTA), SEKm	16,361	39,822	16,361	39,822
Current net asset value (EPRA NTA), SEK/share	11.25	27.39	11.25	27.39
Current net asset value (EPRA NTA) after dilution, SEK/share	11.25	27.38	11.25	27.38
Long-term net asset value (EPRA NRV), SEKm	17,873	45,040	17,873	45,040
Long-term net asset value (EPRA NRV), SEK/share	12.29	30.97	12.29	30.97
Long-term net asset value (EPRA NRV) after dilution, SEK/share	12.29	30.97	12.29	30.97
EPRA Earnings (Company-specific), SEKm ¹⁾	-612	443	-368	-3,048
EPRA Earnings (EPS) (Company-specific), SEK/share ¹⁾	-0.42	0.30	-0.25	-2.10
EPRA earnings after dilution (EPS diluted) (company-specific), SEK/share ¹⁾	-0.42	0.30	-0.25	-2.10
EPRA Vacancy rate	5.8	4.7	5.8	4.7
Earnings per Class A and B ordinary share, SEK ²⁾	-16.60	-7.23	-3.05	-5.58
Earnings per Class D ordinary share, SEK ²⁾	2.00	2.00	0.50	0.50
Average number of Class A and B ordinary shares	1,454,345,401	1,453,854,227	1,454,412,988	1,454,141,898
Average number of Class D ordinary shares	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
Number of Class D ordinary shares	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 38-44.

2) Including discontinued operations.

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

A word from the CEO

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

When I look back on 2023 and how external factors have affected SBB, several clear trends stand out.

During the year, the consumer price index continued to rise, which contributed to SBB's properties increasing their rental income by 8.8 percent for comparable portfolios and operating income for comparable portfolios by 10.9 percent. High inflation has led to higher interest rates, which, together with weak credit markets, are the main reasons for the negative value development of SBB's properties of 12.0 percent.

The value development of SBB's properties has been minus 15.2 percent over the past 21 months and the average yield requirement has been raised from 4.35 percent to 5.19 percent. As rent levels are based on the consumer price index of October 2021, the index has increased by 19.3 percent. This means that for SBB's fully indexed properties, the real decline in value can be estimated at 34.5 percent over the past 21 months.

The market has transformed recently, with many now believing in declining interest rates, which is reflected in higher market valuations of real estate companies and greater access to market financing. My assessment is that we are now at the beginning of a period where conditions in the financial markets are improving, and that more real estate transactions occur at reasonable long-term levels.

For SBB, a more normalized situation in the property market means that the company has

the largest negative asset value developments behind it, and that value increases in the coming years cannot be ruled out. I am confident that SBB's income in comparable portfolios will continue to grow strongly in 2024 and onwards.

Streamlining of our three business areas continues

SBB continues to take important steps to realize the strategy and divide the company into three business areas for better governance, increased transparency, and improved conditions for raising capital.

Business area Education has been streamlined and almost all educational properties have been sold to Nordiqus. Brookfield has purchased shares in Nordiqus in stages, and now owns 50.16 percent following SBB's reduction in ownership stake in November to 49.84 percent to optimize the capital structure in line with the new strategy. The change means that Nordiqus becomes an associate company instead of a subsidiary and will therefore not be consolidated in our financial statements. Earnings per share will not be materially affected initially by the change from just above 50 percent ownership to just below, even if it means assets and income decreases because of the deconsolidation. Nordiqus aims to obtain an investment grade rating during the first half of 2024, which is likely, based on cautious leverage and strong fundamentals in the property portfolio. A stable and competitive Nordiqus will generate more profit for SBB over time.

In December, SBB announced that it would consolidate its residential portfolio and residential development in the subsidiary Sveafastigheter. All jointly owned structure, within Residential, will be dissolved in the long-term, and organised with Sveafastigheter where there are operational advantages.

Sveafastigheter has a new strong board and management team that is working toward the plan to broaden the shareholder base in 2024, so that the company will be able to obtain beneficial financing on its own merits. In connection with this, SBB's financial position is also strengthened, enabling a reduction of SBB's debt levels and exposure to current funding sources.

We are also creating a company that will own SBB's assets within business area Community, which similarly to Nordiqus and Sveafastigheter will be market leading within their segment.

Complex accounting in the short-term

SBB's need to create new partnerships due to financial reasons in combination with the implementation of a large number of other measures contributes to increased complexity in our financial reporting in the short-term. However, the goal is to reduce the number of complex structures and create more simplified accounting and less costly administration. Nordiqus, Sveafastigheter, and PPI are examples of streamlined structures.

After SBB has restructured and improved its financial position, administrative costs will be normalized.

Amounts in SEKm	01-01-2023–31-12-2023			01-01-2022–31-12-2022		
	Continuing operations	Nordiqus, Discontinued operations	SBB total	Continuing operations	Nordiqus, Discontinued operations	SBB total
Rental income	4,581	2,086	6,667	5,365	2,082	7,447
Property costs	-1,372	-321	-1,693	-1,750	-351	-2,101
Net operating income	3,209	1,766	4,975	3,615	1,731	5,346
Administration including acquisition and restructuring costs	-968	-202	-1,170	-929	-89	-1,018
Profit before financial items, value changes in properties and goodwill	2,241	1,564	3,805	2,686	1,642	4,328
Value changes, property and goodwill	-14,671	-2,931	-17,602	-7,683	-890	-8,573
Operating profit/loss	-12,430	-1,367	-13,797	-4,997	752	-4,245
Profit from associated companies/joint ventures	-6,017	-	-6,017	-1,866	-	-1,866
<i>of which profit from property management</i>	<i>169</i>	<i>-</i>	<i>169</i>	<i>941</i>	<i>-</i>	<i>941</i>
Net interest income	-986	-577	-1,563	-816	-471	-1,287
Other financial items	-2,852	17	-2,835	-3,146	-5	-3,151
Tax	1,797	219	2,016	464	274	738
Profit/loss from sales	-	-543	-543	-	-	-
Profit for the period	-20,488	-2,251	-22,740	-10,361	550	-9,811

Measures to strengthen liquidity and balance sheet

A number of important liquidity-strengthening measures were carried out during the quarter. While SBB has implemented many measures to strengthen key figures, market development has contributed to dampening the effect of these measures. This means that SBB's key figures are well-positioned to be strengthened once the market improves. SBB's loan-to-value stood at 54 percent (49) at the end of the quarter. This is a level that needs to be reduced to achieve a long-term sustainable financial position.

The proceeds from the Nordiqus transaction was used to partially finance a tender offer regarding outstanding bonds for an aggregate principal amount of EUR 417m with the aim of proactively managing upcoming debt maturities.

During the quarter, sales of properties in line with the latest external valuation were also carried out, valued at SEK 330 million.

1.78 percent average interest rate

SBB's average interest rate was 1.78 percent as of 2023-12-31. On average the capital matures in 3.6 years. The debt that matures after 2026 has a cost of 2.18 percent. SBB benefits from its long funding at a low interest rate.

Further liquidity improvements necessary

SBB is in a challenging financial situation, where both debt levels and liquidity need to improve. SBB has implemented significant measures during both 2022 and 2023, and the work with making improvements needs to continue during 2024.

Increased operating income and focused efforts to strengthen financial position.

The potential broadening of the shareholder base in Sveafastigheter will improve the financial situation for SBB. SBB is also working on several other projects aimed at strengthening the company's financial position, reduce dependence on individual sources of capital, and create optimal financing opportunities.

Ineffective acceleration notice from an opportunistic hedge fund

In November, SBB contested a purported and ineffective acceleration notice from an individual opportunistic fund, brought forth by the fund's company in the Cayman Islands. It is worth noting that only one single bondholder has made the claim and no other bondholders or banks have made any corresponding claims.

In February, after the end of the reporting period, SBB was informed that the same fund has now initiated formal legal proceedings at an English court. As previously announced in a press release on May 31, 2023, SBB rejects that it is in breach of the EMTN consolidated covenant ratio and as such considers the acceleration notice received from the opportunistic fund to be ineffective. The process will now take its course and is currently estimated to continue until the second half of 2025.

Positive outlook for property portfolio

While SBB faces many challenges regarding financing, the outlook for SBB's property portfolio has improved. Rent-regulated residentials and properties with long lease terms with the public sector are holding up well, even in a weaker economy. Regardless of the economic cycle, population growth is accelerating, creating more demand. Low levels of new property construction and higher construction costs mean that SBB's properties are in a favourable competitive position. Rising rent levels and a high level of occupancy are expected to remain in the coming years.

We need to continue reducing debt levels and dependence on individual funding sources, and we are working from a solid plan to achieve this. Executing the plan is expected to be easier in 2024 than in 2023.

I also want to thank all SBB's employees for their engagement and fantastic efforts in implementing our new strategy and driving the company in the right direction during a challenging time, and a warm thank you to our tenants and partners for their continued trust.

Leiv Synnes
CEO



Samhällsbyggnadsbolaget i Norden

SBB was founded in 2016 and has a decentralized group structure with three focused business areas: Residentials, 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 31 December 2023

Classification	Property value, SEKm	Share of total, %	Rental income, SEKm ¹⁾
Rental apartments	24,079	32.9%	1,386
Building rights and project properties	4,402	6.0%	-
Total, Residentials	28,482	38.9%	1,386
Elderly care units	13,934	19.0%	905
Central government infrastructure and town halls	7,540	10.3%	428
LSS	7,400	10.1%	488
Hospitals and health centres	4,787	6.5%	375
Public offices	3,478	4.8%	309
Other	1,439	2.0%	109
Building rights and project properties	5,523	7.5%	239
Total, Community	44,101	60.2%	2,853
Preschool	107	0.1%	7
Compulsory/upper-secondary school	339	0.5%	29
Building rights and project properties	176	0.2%	3
Total, Education	622	0.9%	38
Total	73,205	100.0%	4,278

1) Rental income in accordance with earnings capacity.

Share in joint ventures and associated companies as of 31 December 2023

Classification	Outgoing carrying amount of holdings, SEKm	Share of total, %
Significant holdings, Residentials	4,592	25.7%
Other holdings, Residentials	1,369	7.7%
Total, Residentials	5,961	33.4%
Significant holdings, Community	1,261	7.0%
Other holdings, Community	477	2.7%
Total, Community	1,738	9.7%
Significant holdings, Education	10,176	56.9%
Total, Education	10,176	56.9%
Total	17,876	100%

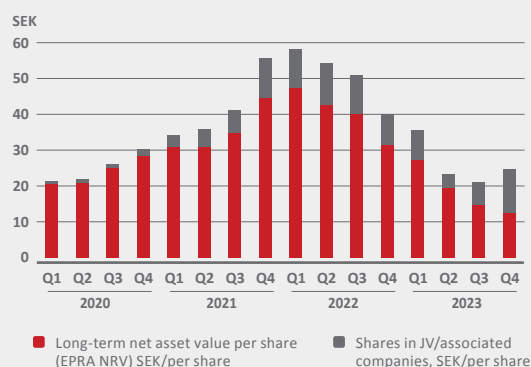
Property value, by country



Value of directly owned properties (SEKm) and yield



Net Asset Value per share, NRV



Residential



SBB owns and administrates rent regulated residentials in growing Swedish communities. 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 **28.5** BN
Property value

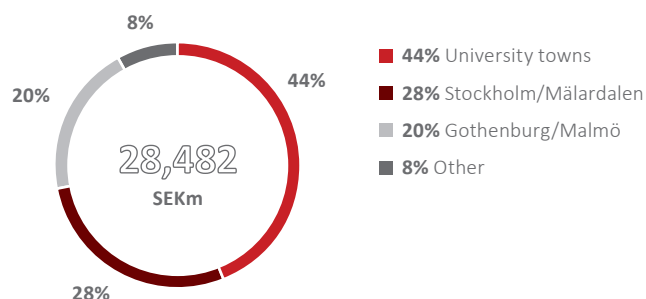
3.79%
Yield

NOK **1,313**
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.
- Since 18 December 2023, the wholly owned subsidiary Sveafastigheter manages SBB's residential portfolio.
- An IPO or strategic partnership is planned for Sveafastigheter in 2024 to improve financing opportunities.
- On 7 February, the new Board of Directors of Sveafastigheter was presented. The Board is headed by Chairman Peter Wågström, with a mandate to establish and lead Sveafastigheter in preparation for, and following, a possible broadening of the shareholder base.

Details of SBB's directly owned property portfolios are available on pages 21-22.

Property value per region



Joint ventures and associated companies

SEK **5,961** M
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 Pensjoner and is reported as a joint venture.

Significant joint ventures and associated companies	SBB Residential Property AB		SBB Kåpan Bostad AB	
	16-08-2023 31-12-2023	01-01-2022 31-12-2022	01-01-2023 31-12-2023	01-01-2022 31-12-2022
SBB's holding	100% ²⁾	-	50%	50%
Carrying amount for holding, share of capital, SEKm	2,797	-	1,795	1,767
Rental income, SEKm	138	-	233	159
Profit from property management, SEKm	-46	-	-	16
Share of joint ventures and associated companies' results, SEKm	-643	-	-322	-219
Reported share of profit from joint ventures and associated companies, SEKm ³⁾	-643	-	-322	-219
Other joint ventures and associated companies			01-01-2023 31-12-2023	01-01-2022 31-12-2022
Carrying amount, share of capital, SEKm			1,369	8,551
Share of joint ventures and associated companies' results, SEKm			-234	-69
Reported share of profit joint ventures and associated companies, SEKm ¹⁾			-3,888	-693

1) The reported share of profit over the period 01-01-2023 – 31-12-2023 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.

2) SBB's holding pertains to SBB's share of ordinary shares. Preference shares in SBB Residential Property AB are reported as a liability in SBB Residential Property AB. As the shareholder agreement between the holders of ordinary shares and preference shares requires decisions to be made jointly, SBB exercises a significant, but not decisive, influence whereby the holdings are reported as a joint venture.

3) Profit/loss from joint ventures and associated companies include capital gains from sales and impairment.

Further details regarding SBB's associated companies and joint ventures are presented on pages 25-26.

Community

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



Consolidated holdings

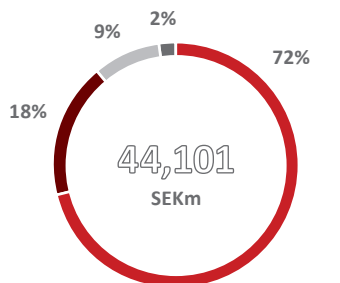
SEK **44.1** BN
Property value

5.32 %
Yield

6.7 years
Average remaining lease length, WAULT

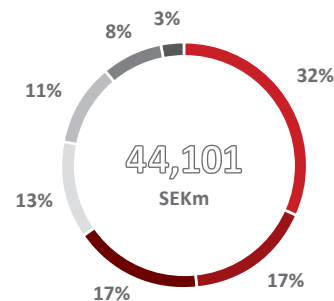
- Attractive demographics where SBB operates generate opportunities for growth as well as minimizing the risk for declining demand.
- The lease terms for the properties are extensive, with public and publicly funded tenants.
- Rents typically rise more than inflation thanks to near-full inflation indexing and tenant adjustments.
- SBB's experienced project and property management organization generates value.

Property value, by country



■ 72% Sweden
■ 18% Finland
■ 9% Norway
■ 1% Denmark

Property value per category



■ 31% Elderly care units
■ 17% Central government infrastructure and town halls
■ 17% LSS
■ 13% Project and building rights properties
■ 11% Hospitals and health centres
■ 8% Public offices
■ 3% Other

Details of SBB's directly owned property portfolios are available on pages 21-22.

Joint ventures and associated companies

SEK **1,738** 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.



- After the quarter end SBB agreed to the establishment of a joint venture for community properties with Castlelake, supported by Atlas SP Partners. SBB Infrastructure will acquire the properties at the market value as of 31 December 2023, amounting to SEK 5.7 billion.

Significant joint ventures and associated companies	Public Property Invest AS	
	01-01-2023 31-12-2023	01-01-2022 31-12-2022
SBB's holding	45%	45%
Carrying amount for holding, share of capital, SEKm	1,261	1,785
Rental income, SEKm	578	532
Profit from property management, SEKm	199	191
Share of joint ventures and associated companies' results, SEKm	-405	-341
Reported share of profit from joint ventures and associated companies, SEKm ¹⁾	-405	-341
Other joint ventures and associated companies	01-01-2023 31-12-2023	01-01-2022 31-12-2022
Closing carrying amount, share of capital, SEKm	477	546
Share of joint ventures and associated companies' results, SEKm	-62	389
Reported share of profit from joint ventures and associated companies, SEKm ¹⁾	-293	389

1) Profit/loss from joint ventures and associated companies include capital gains from sales and impairment.

Further details regarding SBB's associated companies and joint ventures are presented on pages 25-26

Education

SBB is part-owner of Europe's largest portfolio focused on social infrastructure for the public education sector. Long-term indexed leases generate stable earnings.



Consolidated holdings

SEK 0.6BN
Property value

- Following the sale of 1.16 percent of the shares in Nordiqus, only a smaller portfolio of educational properties of about SEK 0.6bn is consolidated within SBB.
- Profit/loss attributable to previously consolidated holdings now included in Nordiqus have been reported as discontinued operations. For more information, see page 20.

Details of SBB's directly owned property portfolios are available on pages 21-22.

	Market value, SEKm 31-12-2023
Consolidated holdings	
Sweden	465
Denmark	158
Total	622

	01-01-2023 21-11-2023
Nordiqus, discontinued operations ¹⁾	
SBB's holding	51.00%
Investment properties, 22-11-2023, SEKm	40,843
Rental income, SEKm	2,086
Profit from property management, SEKm	1,004
<i>Profit for the period attributable to:</i>	
Parent Company shareholders	-1,148
Non-controlling interest	-1,103
Profit/loss for the period, discontinued operations	-2,251

Joint ventures and associated companies

SEK 10,176M
Closing carrying amount
of holdings

	Nordiqus AB 22-11-2023 31-12-2023
Significant joint ventures and associated companies	
SBB's holding	49.84%
Carrying amount for holding, share of capital, SEKm	10,176
Rental income, SEKm	244
Profit from property management, SEKm	-5
Share of joint ventures and associated companies' results, SEKm	-467
Reported share of profit of joint ventures and associated companies, SEKm ¹⁾	-467

1) Profit/loss from joint ventures and associated companies include capital gains from sales and impairment.

Further details regarding SBB's associated companies and joint ventures are presented on pages 25-26.

- On 24 September 2023, SBB entered into an agreement with Brookfield regarding the sale of 1.16 percent of the shares in Nordiqus, formerly EduCo. The transaction was completed on 22 November 2023. The sale entailed SBB losing its former controlling influence and, as of the date of the sale, reporting the holding in Nordiqus as an associated company. Until and including 21 November 2023, profit/loss attributable to Nordiqus has been reported as discontinued operations. For more information, see page 20.

Significant holdings attributable to the business area

Nordiqus

Nordiqus manages and develops educational properties and offers high-quality learning environments. Nordiqus was established in 2022 and owns and manages a portfolio comprising more than 600 educational properties across the Nordics. This extensive portfolio of properties includes a diversity of educational institutions, including preschools, elementary schools, high schools and universities – together comprising a significant portion of our society's educational infrastructure.

Nordiqus
UTBILDNINGSPÄSTIGHETER



Consolidated income statement

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022 ³⁾	01-10-2023 31-12-2023	01-10-2022 31-12-2022 ³⁾
Continuing operations				
Rental income	4,581	5,365	1,069	1,309
Property costs				
Operating costs	-1,021	-1,309	-256	-378
Maintenance	-257	-314	-81	-108
Property tax	-95	-127	-19	-39
Net operating income ¹⁾	3,209	3,615	713	784
Administration ¹⁾	-878	-809	-294	-203
Acquisition and restructuring costs	-90	-120	-51	-24
Profit before financial items, value changes in properties and goodwill ²⁾	2,241	2,686	368	557
Changes in value, property	-13,277	-3,681	-2,784	-2,490
Capital loss on the distribution of Neobo	-	-3,202	-	-3,202
Reversal/impairment of goodwill regarding deferred tax	-227	-387	-26	-195
Goodwill impairment	-1,150	-395	-1,150	-395
Results, production of residentials	-17	-17	-14	-20
Operating profit ²⁾	-12,430	-4,997	-3,605	-5,745
Profit/loss from joint ventures and associated companies	-6,017	-1,866	-1,655	-1,379
<i>of which, profit from property management</i>	169	941	-147	314
<i>of which, change in value</i>	-2,498	-1,970	-1,607	-1,002
<i>of which, tax</i>	196	-90	154	57
<i>of which, gain/loss on sales</i>	-3,416	-	24	-
<i>of which, impairment</i>	-469	-747	-79	-747
Interest income and similar items	420	238	242	58
Interest expenses and similar items	-1,406	-1,054	-430	-399
Results of early repayment of loans	-118	424	-5	429
Translation gains/losses	-144	-1,991	1,024	-580
Leasing costs	-10	-19	-4	-5
Changes in the value of financial instruments	-2,580	-1,560	-495	-405
Profit before tax	-22,285	-10,825	-4,928	-8,025
Tax for the year	-443	-277	39	-70
Deferred tax	2,013	354	-88	502
Reversal of deferred tax regarding business combinations	227	387	26	195
PROFIT FOR THE PERIOD, continuing operations	-20,488	-10,361	-4,952	-7,397
Profit for the period, discontinued operations ⁴⁾	-2,251	550	771	-553
PROFIT FOR THE PERIOD	-22,740	-9,811	-4,181	-7,950
<i>Profit for the period attributable to:</i>				
Parent Company shareholders	-23,204	-9,634	-4,213	-7,905
Non-controlling interest	464	-177	32	-45
PROFIT FOR THE PERIOD	-22,740	-9,811	-4,181	-7,950
Earnings per Class A and B ordinary share before dilution, continuing operations	-15.05	-7.61	-3.58	-5.20
Earnings per Class A and B ordinary share after dilution, continuing operations	-15.05	-7.61	-3.58	-5.20
Earnings per Class D ordinary share, continuing operations	2.00	2.00	0.50	0.50
Earnings per Class A and B ordinary share before dilution, discontinued operations	-2.51	-0.10	0.35	-0.49
Earnings per Class A and B ordinary share after dilution, discontinued operations	-2.51	-0.10	0.35	-0.49
Earnings per Class D ordinary share, discontinued operations	2.00	2.00	0.50	0.50
Earnings per Class A and B ordinary share before dilution, total continuing and discontinued operations	-16.60	-7.23	-3.05	-5.58
Earnings per Class A and B ordinary share after dilution, total continuing and discontinued operations	-16.60	-7.23	-3.05	-5.58
Earnings per Class D ordinary share, total continuing and discontinued operations	2.00	2.00	0.50	0.50

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 36, as well as Definitions on pages 38-44.

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

⁴⁾ Profit for the period, discontinued operations, including net operating income of SEK 1,766m (1,731). For further information on Discontinued operations, see page 20.

Consolidated statement of comprehensive income

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Profit for the period	-22,740	-9,811	-4,181	-7,950
<i>Items that may be reclassified to profit for the period</i>				
Share in the comprehensive income of joint ventures and associated companies	-175	169	-	99
Translation gains/losses	-1,057	427	-368	252
COMPREHENSIVE INCOME FOR THE PERIOD	-23,972	-9,215	-4,549	-7,599
<i>Comprehensive income for the period attributable to:</i>				
Parent Company shareholders	-24,436	-9,038	-4,581	-7,553
Non-controlling interest	464	-177	32	-46
COMPREHENSIVE INCOME FOR THE PERIOD	-23,972	-9,215	-4,549	-7,599

Comments on the consolidated income statement

Continuing operations

Rent growth of 8.8 percent in comparable portfolios

Rental income amounted to SEK 4,581m (5,365) for the period and to SEK 1,069m (1,309) for the quarter. In a comparable portfolio, rental income increased by 8.8 percent compared with the corresponding period in the preceding year. SEK 1,621m (2,432) of rental income derived from Residential, SEK 2,937m (2,864) from Community and SEK 23m (68) from Education.

Occupancy rate of 94.2 percent

The economic occupancy rate at the end of the period was 94.2 percent (95.3). The average lease term for properties in the Community segment was seven years (10). The decrease is primarily due to the deconsolidation of Nordiqus.

Net operating income rose 10.9 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 3.4 percent compared with the corresponding period in the preceding year. Property costs amounted to SEK -1,373m (-1,750) for the period and to SEK -356m (-525) for the quarter.

Profit before value changes and goodwill

In total, administration costs for the period amounted to SEK -878 m (-809) and for the quarter they amounted to SEK -294m (-203). Acquisition and restructuring costs amounted to SEK -90m (-120) 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 -13,277m (-3,681), of which SEK -1,512m (-155) were realized changes in value and SEK -11,764m (-3,526) 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 12.0 percent, of which 2.9 percentage points were attributable to the fourth quarter. Over the period, the average yield requirement rose from 4.72 percent to 5.19 percent. Excluding sold and deconsolidated properties, the yield requirement rose from 4.62 percent to 5.19 percent over the period.

Over the period, SBB has sold properties for SEK 3,878m, excluding Nordiqus and SBB Residential Property. Total investments in these properties amounted to SEK 3,770m and the value generated was SEK 108m. Realized value changes are calculated based on the value most recently reported and not on acquisition value.

Results from joint ventures and associated companies

The profit from joint ventures and associated companies was SEK -6,017m (-1,866) for the period and SEK -1,655m (-1,379) for the quarter. The negative outcome is mainly due to the decline in sales of SEK -3,416m, which is predominantly attributable to the sale of the shares in JM AB (publ) implemented in the second quarter. See further information on pages 25-26.

Net financial items

Net financial items for the period amounted to an expense of SEK -1,258m (-2,402). The change is predominantly attributable to decreased interest expenses due to reduction of the property portfolio. 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 -118m (424) for the period. Translation losses of SEK -144m (-1,991) were reported for the period. The translation losses are mainly attributable to the recalculation of loans in EUR to the extent that 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 -2,580m (-1,560) for the period and to SEK -495m (-405) for the quarter. The item comprises unrealized changes in value for financial investments in shares of SEK -1,280m (-2,090) and is attributable to the negative price trend for the shares in the portfolio, as well as value changes regarding derivatives of SEK -1,301m (684).

Profit after tax

The profit after tax amounted to SEK -20,488m (-10,361) for the period, while the profit for the quarter amounted to SEK -4,952m (-7,397). Tax on the profit for the period was SEK 1,797m (464), of which SEK -443m (-277) pertained to current tax and SEK 2,013m (354) pertained to deferred tax related primarily to properties and tax-loss carryforwards. SEK 227m (387) in deferred tax attributable to goodwill was dissolved.

Discontinued operations

On 24 September 2023, SBB entered into an agreement with Brookfield regarding the sale of about a further 1.16 percent of the shares in Nordiqus. The sale was subject to customary completion conditions, which were met on 22 November 2023, after which date the operations were reported as an associated company.

The result for the period attributable to the discontinued operations amounted to SEK -2,251m. See further information on page 20.

Segment reporting

During the third quarter, SBB changed its segmentation to Residential, Education and Community. See page 36 for more information.

Full-year, 2023

Period 01-01-2023 – 31-12-2023 (SEKm)	Residential	Community	Education	Total segment	Group-wide items and eliminations	Group total
Continuing operations						
Rental income	1,621	2,937	23	4,581	-	4,581
Property costs	-634	-732	-6	-1,372	-	-1,372
Net operating income	987	2,205	17	3,209	-	3,209
Administration	-	-	-	-	-878	-878
Acquisition and restructuring costs	-	-	-	-	-90	-90
Profit before financial items, value changes in properties and goodwill	987	2,205	17	3,209	-968	2,241
Changes in value, property	-6,970	-6,180	-127	-13,277	-	-13,277
Dissolution of goodwill after property sales	-24	-202	-	-226	-	-226
Goodwill impairment	-	-1,150	-	-1,150	-	-1,150
Results, production of residential	-17	-	-	-17	-	-17
Operating profit/loss	-6,024	-5,327	-110	-11,462	-968	-12,430
Profit from joint ventures and associated companies	-4,853	-698	-467	-6,017	-	-6,017
Interest income	-	-	-	-	420	420
Interest expenses and similar	-	-	-	-	-1,678	-1,678
Changes in the value of financial instruments	-	-	-	-	-2,580	-2,580
Profit before tax	-10,877	-6,025	-577	-17,479	-4,807	-22,284
Tax	-	-	-	-	1,797	1,797
Profit/loss for the period, continuing operations	-10,877	-6,025	-577	-17,479	-3,010	-20,488
Investment properties	28,482	44,101	622	73,205	-	73,205
Investments	1,207	1,305	8	2,520	-	2,520
Value per m ² (SEK)	26,979	22,449	22,029	24,014	-	24,014
Surplus ratio	61%	75%	73%	70%	-	70%

Period 01-01-2023 – 31-12-2023 (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	4,581	2,086	6,667	1,621	2,937	2,109	6,667	-	6,667
Property costs	-1,372	-321	-1,693	-634	-732	-327	-1,693	-	-1,693
Net operating income	3,209	1,766	4,974	987	2,205	1,783	4,974	-	4,974
Administration	-878	-60	-938	-	-	-	-	-938	-938
Acquisition and restructuring costs	-90	-142	-232	-	-	-	-	-232	-232
Profit before financial items, value changes in properties and goodwill	2,241	1,564	3,805	987	2,205	1,783	4,974	-1,169	3,805
Changes in value, property	-13,277	-2,931	-16,209	-6,970	-6,180	-3,059	-16,209	-	-16,209
Dissolution of goodwill after property sales	-227	-571	-797	-24	-202	-571	-797	-	-797
Goodwill impairment	-1,150	-1,794	-2,944	-	-1,150	-1,794	-2,944	-	-2,944
Results, production of residential	-17	-	-17	-17	-	-	-17	-	-17
Operating profit/loss	-12,430	-3,732	-16,163	-6,024	-5,327	-3,641	-14,993	-1,169	-16,163
Profit from joint ventures and associated companies	-6,017	-	-6,017	-4,853	-698	-467	-6,017	-	-6,017
Interest income	420	5	424	-	-	-	-	424	424
Interest expenses and similar	-1,678	-565	-2,242	-	-	-	-	-2,242	-2,242
Changes in the value of financial instruments	-2,580	-	-2,580	-	-	-	-	-2,580	-2,580
Profit before tax	-22,285	-4,292	-26,578	-10,877	-6,025	-4,108	-21,010	-5,568	-26,578
Tax	1,797	790	2,587	-	-	-	-	2,587	2,587
Profit from sales, discontinued operations	-	1,251	1,251	-	-	-	-	1,251	1,251
Profit for the period	-20,488	-2,251	-22,740	-10,877	-6,025	-4,108	-21,010	-1,730	-22,740
Investment properties	73,205	-	73,205	28,482	44,101	622	73,205	-	73,205
Investments	2,520	359	2,880	1,207	1,305	368	2,880	-	2,880
Value per m ² (SEK)	24,014	-	24,014	26,979	22,449	22,029	24,014	-	24,014
Surplus ratio	70%	85%	75%	61%	75%	85%	75%	-	75%

Full-year, 2022

Period 01-01-2022 – 31-12-2022 (SEKm)	Residen- tials	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	58	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	58	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 joint ventures and associated companies	-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	-10,825
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)	29,423	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- tials	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 joint ventures and associated companies	-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	-10,825	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%

Fourth quarter 2023

Period 01-10-2023 – 31-12-2023 (SEKm)	Residen- tials	Community	Education	Total segment	Group-wide items and eliminations	Group total
Continuing operations						
Rental income	357	706	6	1,069	-	1,069
Property costs	-152	-201	-3	-356	-	-356
Net operating income	205	505	3	713	-	713
Administration	-	-	-	-	-294	-294
Acquisition and restructuring costs	-	-	-	-	-51	-51
Profit before financial items, value changes in properties and goodwill	205	505	3	713	-345	368
Changes in value, property	-1,328	-1,393	-62	-2,784	-	-2,784
Dissolution of goodwill after property sales	-	-26	-	-26	-	-26
Goodwill impairment	-	-1,150	-	-1,150	-	-1,150
Results, production of residentials	-14	-	-	-14	-	-14
Operating profit/loss	-1,136	-2,064	-59	-3,260	-345	-3,605
Profit from joint ventures and associated companies	-919	-269	-467	-1,655	-	-1,655
Interest income	-	-	-	-	242	242
Interest expenses and similar	-	-	-	-	585	585
Changes in the value of financial instruments	-	-	-	-	-495	-495
Profit before tax	-2,055	-2,333	-526	-4,915	-13	-4,928
Tax	-	-	-	-	-24	-24
Profit/loss for the period, continuing operations	-2,055	-2,333	-526	-4,915	-37	-4,952
Investment properties	28,482	44,101	622	73,205	-	73,205
Investments	337	212	2	551	-	551
Value per m ² (SEK)	26,979	22,449	22,029	24,014	-	24,014
Surplus ratio	57%	72%	49%	67%	-	67%

Period 01-10-2023 – 31-12-2023 (SEKm)	Continuing operations	Discon- tinued operations	Group, incl. discon- tinued operations	Residen- tials	Community	Education	Total segment	Group-wide items and eliminations	Group, incl. discon- tinued operations
Rental income	1,069	333	1,402	357	706	339	1,402	-	1,402
Property costs	-356	-56	-412	-152	-201	-59	-412	-	-412
Net operating income	713	278	991	205	505	281	991	-	991
Administration	-294	-13	-307	-	-	-	-	-307	-307
Acquisition and restructuring costs	-51	-	-51	-	-	-	-	-51	-51
Profit before financial items, value changes in properties and goodwill	368	265	633	205	505	281	991	-358	633
Changes in value, property	-2,784	-654	-3,437	-1,328	-1,393	-716	-3,437	-	-3,437
Dissolution of goodwill after property sales	-26	-	-26	-	-26	-	-26	-	-26
Goodwill impairment	-1,150	-	-1,150	-	-1,150	-	-1,150	-	-1,150
Results, production of residentials	-14	-	-14	-14	-	-	-14	-	-14
Operating profit/loss	-3,605	-389	-3,994	-1,136	-2,064	-435	-3,636	-358	-3,994
Profit from joint ventures and associated companies	-1,655	-	-1,655	-919	-269	-467	-1,655	-	-1,655
Interest income	242	4	246	-	-	-	-	246	246
Interest expenses and similar	585	-85	500	-	-	-	-	500	500
Changes in the value of financial instruments	-495	-	-495	-	-	-	-	-495	-495
Profit before tax	-4,928	-470	-5,398	-2,055	-2,333	-902	-5,291	-107	-5,398
Tax	-24	-10	-34	-	-	-	-	-34	-34
Profit from sales, discontinued operations	-	1,251	1,251	-	-	-	-	1,251	1,251
Profit for the period	-4,952	771	-4,181	-2,055	-2,333	-902	-5,291	1,110	-4,181
Investment properties	73,205	-	73,205	28,482	44,101	622	73,205	-	73,205
Investments	551	24	575	337	212	27	575	-	575
Value per m ² (SEK)	24,014	-	24,014	26,979	22,449	22,029	24,014	-	24,014
Surplus ratio	67%	83%	71%	57%	72%	83%	71%	-	71%

Fourth quarter 2022

Period 01-10-2022 – 31-12-2022 (SEKm)	Residential	Community	Education	Total segment	Group-wide items and eliminations	Group total
Continuing operations						
Rental income	605	694	10	1,309	-	1,309
Property costs	-302	-219	-3	-525	-	-525
Net operating income	303	475	7	784	-	784
Administration	-	-	-	-	-203	-203
Acquisition and restructuring costs	-	-	-	-	-24	-24
Profit before financial items, value changes in properties and goodwill	303	475	7	784	-227	557
Changes in value, property	-1,103	-1,404	16	-2,490	-	-2,490
Capital loss on the distribution of Neobo	-	-	-	-	-3,202	-3,202
Dissolution of goodwill after property sales	-	-	-	-	-195	-195
Goodwill impairment	-	-	-	-	-395	-395
Results, production of residential	-20	-	-	-20	-	-20
Operating profit/loss	-820	-929	23	-1,725	-4,019	-5,745
Profit from joint ventures and associated companies	-329	-1,049	-	-1,379	-	-1,379
Interest income	-	-	-	-	58	58
Interest expenses and similar	-	-	-	-	-555	-555
Changes in the value of financial instruments	-	-	-	-	-405	-405
Profit before tax	-1,149	-1,978	23	-3,104	-4,920	-8,025
Tax	-	-	-	-	627	627
Profit/loss for the period, continuing operations	-1,149	-1,978	23	-3,104	-4,293	-7,397
Investment properties	37,502	53,301	672	91,474	-	91,474
Investments	504	380	8	892	-	892
Value per m ² (SEK)	29,400	26,445	27,299	27,588	-	27,588
Surplus ratio	50%	68%	67%	60%	-	60%

Period 01-10-2022 – 31-12-2022 (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	1,309	540	1,850	605	694	550	1,850	-	1,850
Property costs	-525	-103	-628	-302	-219	-106	-628	-	-628
Net operating income	784	438	1,222	303	475	444	1,222	-	1,222
Administration	-203	-28	-230	-	-	-	-	-230	-230
Acquisition and restructuring costs	-24	-	-24	-	-	-	-	-24	-24
Profit before financial items, value changes in properties and goodwill	557	410	968	303	475	444	1,222	-254	968
Changes in value, property	-2,490	-1,100	-3,591	-1,103	-1,403	-1,084	-3,591	-	-3,591
Capital loss on the distribution of Neobo	-3,202	-	-3,202	-	-	-	-	-3,202	-3,202
Dissolution of goodwill after property sales	-195	-	-195	-	-	-	-	-195	-195
Goodwill impairment	-395	-	-395	-	-	-	-	-395	-395
Results, production of residential	-20	-	-20	-	-	-	-	-20	-20
Operating profit/loss	-5,745	-690	-6,435	-800	-928	-640	-2,369	-4,066	-6,435
Profit from joint ventures and associated companies	-1,379	-	-1,379	-329	-1,049	-	-1,379	-	-1,379
Interest income	58	-	58	-	-	-	-	58	58
Interest expenses and similar	-555	-130	-685	-	-	-	-	-685	-685
Changes in the value of financial instruments	-405	-	-405	-	-	-	-	-405	-405
Profit before tax	-8,025	-820	-8,845	-1,129	-1,977	-640	-3,748	-5,097	-8,845
Tax	627	267	894	-	-	-	-	894	894
Profit for the period	-7,397	-553	-7,950	-1,129	-1,977	-640	-3,748	-4,203	-7,950
Investment properties	91,474	44,142	135,616	37,502	53,301	44,813	135,616	-	135,616
Investments	892	133	1,026	504	380	142	1,026	-	1,026
Value per m ² (SEK)	27,588	33,652	29,307	29,400	26,445	33,535	29,307	-	29,307
Surplus	60%	81%	66%	50%	68%	81%	66%	-	66%

Consolidated balance sheet

Amounts in SEKm	31-12-2023	31-12-2022
ASSETS		
Fixed assets		
Intangible assets		
Goodwill	1,542	5,283
Total intangible assets	1,542	5,283
Tangible assets		
Investment properties	73,205	135,616
Land lease agreements	393	829
Equipment, machinery and installations	106	37
Total tangible assets	73,704	136,482
Financial fixed assets		
Share in joint ventures and associated companies	17,876	12,649
Receivables from joint ventures and associated companies	4,839	1,737
Derivatives	481	1,696
Financial fixed assets at fair value	849	2,298
Other non-current receivables	1,965	939
Total financial fixed asset	26,009	19,319
Total fixed assets	101,255	161,084
Current assets		
Properties held for sale	155	156
Current receivables		
Derivatives	203	-
Financial fixed assets at fair value	185	-
Accounts receivable	100	106
Other receivables	607	1,434
Prepaid expenses and accrued income	392	740
Total current receivables	1,487	2,280
Cash investments	214	421
Cash and cash equivalents	3,845	4,429
Total cash and cash equivalents and cash investments	4,060	4,850
Total current assets	5,702	7,286
TOTAL ASSETS	106,957	168,370

Comments

Goodwill

At the end of the period, goodwill amounted to SEK 1,542m (5,283). Over the period, impairments of SEK -2,944m (-395) and reversals of SEK -797m (-387) were recognized. In total, SEK -24m was attributable to Residential, SEK -1,352m was attributable to Community, and SEK -2,365m was attributable to Education. In Education, an impairment was made in connection with the reclassification of Nordiqus as an associated company and was reported under Discontinued operations, see p 20.

At the end of the period, SEK 597m (1,394) of reported goodwill 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 31 December 2023, the value of the properties amounted to SEK 73,205m (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 5.19 percent (4.72) has been used in the valuation. The value of the properties includes SEK 2,131m 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 21-24.

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 is a simplified illustration, since a single parameter is unlikely to change in isolation.

	Change	Value impact, SEKm
Rental value	+/- 5%	3,414 / -3,441
Property costs	+/- 5%	-1,059 / 1,050
Discount rate	+/- 0.25 percentage points	-2,881 / 3,135
Direct return requirements	+/- 0.25 percentage points	-2,804 / 3,192

Property portfolio change

Amounts in SEKm	
Opening fair value, 01-01-2023	135,616
Acquisition	2,156
Contributed by minority owner	806
Investments	2,996
Sales	-52,031
<i>Of which, Nordiqus AB</i>	<i>-40,841</i>
<i>Of which, SBB Residential Property AB</i>	<i>-6,215</i>
<i>Of which, other sales</i>	<i>-4,975</i>
Translation differences	-1,641
Unrealized value changes	-14,696
Fair value at end of period	73,205

Joint ventures and associated companies

SBB's commitments to joint ventures and associated companies comprise shareholdings and loans to companies in which SBB does not have 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, Nordiqus AB and Public Property Invest AS. For more information, see pages 25-26.

At the end of the period, shares in joint ventures and associated companies amounted to SEK 17,876m (12,649) and receivables from joint ventures and associated companies to SEK 4,839m (1,737).

Cash and cash equivalents and cash investments

Cash and cash equivalents comprise available bank balances amounting to SEK 3,845m (4,429) and cash investments, comprising shares in listed companies, amounting to SEK 214m (421). Blocked cash and cash equivalents amounted to SEK 16m (1,066).

Consolidated balance sheet

Amounts in SEKm	31-12-2023	31-12-2022
EQUITY AND LIABILITIES		
Share capital	165	165
Other contributed capital	26,624	26,612
Reserves	-915	142
Retained earnings, incl. comprehensive income for the year	-9,117	16,905
Equity attributable to Parent Company shareholders	16,759	43,824
Hybrid bonds	15,741	15,741
Other reserves	1,036	1,080
Non-controlling interest	2,445	2,691
Total equity	35,981	63,337
Long-term liabilities		
Liabilities to credit institutions	11,116	30,496
Bond loans	40,540	48,310
Derivatives	264	375
Deferred tax liabilities	2,726	9,120
Leasing liabilities	393	829
Other non-current liabilities	92	141
Total long-term liabilities	55,131	89,271
Current liabilities		
Liabilities to credit institutions	7,861	3,400
Commercial papers	-	1,111
Bond loans	2,576	3,768
Derivatives	1,290	596
Accounts payable	121	456
Current tax liabilities	99	310
Liability, cash collateral	-	2,178
Other liabilities	727	1,185
Approved dividend	2,133	834
Accrued expenses and prepaid income	1,040	1,924
Total current liabilities	15,846	15,762
TOTAL EQUITY AND LIABILITIES	106,957	168,370

Comments

Equity

Equity attributable to Parent Company shareholders amounted to SEK 16,759m (43,824) at end of the period. Total equity amounted to SEK 35,981m (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 31 December 2023, the deferred tax liability amounted net to SEK 2,726m (9,120) and is largely attributable to investment properties and tax-loss carryforwards. The consolidated closing deficit totalled SEK 5,213m as of 31 December 2023. Tax-loss carryforwards totaling SEK 1,430m were exercised during the period.

Interest-bearing liabilities

At the end of the period, interest-bearing liabilities in the Group amounted to SEK 62,093m (87,085), of which SEK 18,977m (33,896) pertained to liabilities to credit institutions, SEK 43,116m (52,078) pertained to bond loans and SEK 0m (1,111) pertained to commercial papers.

See further under the section Financing on pages 27-30.

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" in 2022.

Consolidated changes in equity

Amounts in SEKm	Equity attributable to Parent Company's shareholders					Equity attributable to hybrid bonds		Holdings without controlling influence	Total equity
	Share capital	Other contributed capital	Reserves ¹⁾	Retained earnings ³⁾	Total	Hybrid-bond ³⁾	Other reserves ²⁾		
Opening equity, 01-01-2022	165	26,396	834	34,360	61,755	17,294	-149	4,071	82,971
Profit for the period	-	-	-	-9,633	-9,633	-	-	-177	-9,811
Other comprehensive income	-	-	-692	1,288	596	-	-	-	596
Comprehensive income for the period	-	-	-692	-8,345	-9,037	-	-	-177	-9,215
New share issue	-	210	-	-	210	-	-	-	210
Issue costs ⁴⁾	-	-	-	-13	-13	-	-	-	-13
Redemption of part of hybrid bond	-	-	-	811	811	-1,553	15	-	-727
Tax effects in equity	-	6	-	175	181	-	-	-	181
Currency revaluation, hybrid bonds	-	-	-	-1,214	-1,214	-	1,214	-	-
Dividend	-	-	-	-2,308	-2,308	-	-	-	-2,308
Dividend hybrid bond	-	-	-	-490	-490	-	-	-	-490
Distribution of Neobo	-	-	-	-5,946	-5,946	-	-	-	-5,946
Divestiture to minority	-	-	-	-	-	-	-	712	712
Redemption minority interests	-	-	-	-124	-124	-	-	-1,915	-2,039
Closing equity, 31 Dec 2022	165	26,612	142	16,905	43,825	15,741	1,080	2,691	63,337
Opening equity, 01-01-2023	165	26,612	142	16,905	43,825	15,741	1,080	2,691	63,337
Profit for the period	-	-	-	-23,204	-23,204	-	-	464	-22,740
Other comprehensive income	-	-	-1,057	-175	-1,232	-	-	-	-1,232
Comprehensive income for the period	-	-	-1,057	-23,379	-24,436	-	-	464	-23,972
Warrants repurchase	-	-	-	-5	-5	-	-	-	-5
Tax effects in equity	-	-	-	99	99	-	-	-	99
Conversion of mandatory convertibles	-	12	-	-11	1	-	-	-	1
Currency revaluation, hybrid bonds	-	-	-	44	44	-	-44	-	-
Dividend	-	-	-	-2,482	-2,482	-	-	-	-2,482
Dividend hybrid bond	-	-	-	-548	-548	-	-	-	-548
Interest withheld on hybrid bonds	-	-	-	358	358	-	-	-	358
Acquired minority interests	-	-	-	-	-	-	-	9,840	9,840
Redemption minority holdings	-	-	-	-98	-98	-	-	-10,552	-10,648
Closing equity, 31 Dec 2023	165	26,624	-915	-9,117	16,759	15,741	1,036	2,445	35,981

1) Reserves consist of hedge accounting and translation differences.

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

3) In accordance with a press release issued on 29 December 2023, dividends on the hybrid bond were paused, corresponding to accrued dividends (interest) of SEK 357,361,540 as of 31 December 2023.

4) The company has changed accounting principle for the management of issue costs. These were previously managed under capital attributable to hybrid bonds but are now included in retained earnings. This has resulted in the opening balances for equity being adjusted.

Comments

As of 31 December 2023, equity amounted to SEK 35,981 (63,337). Equity includes hybrid bonds issued for a book value of SEK 16,777m. The nominal value of the hybrid bonds is SEK 16,777m.

Translation differences in the translation of net assets in subsidiaries in Norway, Finland and Denmark from local currency to SEK amounted to SEK -1,057m of the change in equity during the period.

Holdings without controlling influence

Holdings without controlling influence amounted to SEK 2,445m (2,691). The reduction is mainly attributable to Brookfield's minority acquisition of 50.16 percent of Nordiqus. 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 34 percent (38), the adjusted equity ratio was 36 percent (42), and the loan-to-value ratio was 54 percent (49).

Consolidated cash flow statement, condensed

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Continuing operations				
Operating activities				
Profit before tax, continuing operations	-22,285	-10,824	-4,928	-8,023
Profit before tax, discontinued operations	-5,579	276	-1,757	-827
Adjustment for non-cash flow items				
Depreciation	6	10	-	2
Changes in value, property	17,495	4,571	4,725	3,590
Capital loss on the distribution of Neobo	-	3,202	-	3,202
Dissolution of goodwill after property sales	797	387	26	195
Goodwill impairment	2,944	395	1,150	395
Results, production of residentials	17	17	14	19
Profit from joint ventures and associated companies	6,017	1,866	1,655	1,379
Changes in the value of financial instruments	2,580	1,560	495	405
Dividends from joint ventures and associated companies	283	304	-	7
Net interest income	1,818	2,878	-747	634
Interest paid	-2,390	-1,059	-957	-153
Interest received	-374	196	290	58
Paid tax	-856	-294	-241	80
Cash flow from operating activities before changes in working capital	1,222	3,485	-276	802
Cash flow from changes in working capital				
Increase (-)/Decrease (+) of operating receivables	1,057	164	944	533
Increase (+)/Decrease (-) of operating liabilities	-927	-1,528	-153	-53
Cash flow from operating activities	1,350	2,121	514	1,283
Investment activities				
Investments in properties	-2,901	-5,250	-524	-1,280
Property sales	-	171	-	18
Acquisitions of subsidiaries less acquired cash and cash equivalents	-1,629	-9,367	-507	-364
Disposals of subsidiaries less cash and cash equivalents	12,675	9,677	8,219	1,409
Investments/divestitures in equipment, machinery and installations	-75	1	-3	7
Investments/disposals in joint ventures and associated companies	2,470	475	193	1,896
Change in receivables from joint ventures and associated companies	781	2,159	790	154
Cash flow from financial assets	-194	1,772	-360	203
Change in other non-current receivables	-998	-728	-41	-863
Cash flow from investing activities	10,129	-1,090	7,767	1,181
Financing activities				
Issue hybrid bonds	-	-	-	10
Issue costs	-	-15	-	-15
Warrants repurchase	-	-	-1	-
Redemption of hybrid bonds	-	-727	-	-727
Redemption of mandatory convertible	-	-	-	-
Redemption of preference shares	-	-	-	-
Dividend paid	-1,659	-2,837	-	-601
Distribution of cash and cash equivalents in Neobo	0	-231	-	-231
Divestiture to minority	9,057	712	19	712
Redeemed minority shares ¹⁾	0	-2,040	-	-223
Borrowings	21,544	62,038	394	19,459
Repayment of loans	-38,885	-59,710	-6,326	-21,243
Change in cash collateral	-2,048	-3,429	-617	5
Changes in other non-current liabilities raised	-52	-202	-77	-90
Cash flow from financing activities	-12,047	-6,440	-6,609	-2,943
Profit/loss for the period,	-512	-5,409	1,673	-479
Cash and cash equivalents at the beginning of the period				
Profit/loss for the period, continuing operations	-512	-5,409	1,673	-479
Exchange rate change in cash and cash equivalents	-16	-21	-14	-35
Cash and cash equivalents at the end of the period	3,845	4,429	3,845	4,429
<i>of which, liquid funds attributable to discontinued operations</i>	-	57	-	57

1) At the beginning of the period, redeemed minority interests were reclassified to Change in financial assets.

Discontinued operations – Nordiqus AB

Net profit/loss

Rental income for the period amounted to SEK 2,086m (2,082). Property costs amounted to SEK -320m (-351) and mainly comprised operation and maintenance costs. The net profit amounted to SEK -1,708m (550) and was mainly influenced by value changes in properties.

Capital gains/losses

On 24 September 2023, SBB entered into an agreement for the sale of a further 1.16 percent. The sale was subject to customary completion conditions, including competition approvals and financing terms.

On 22 November 2023, the sale was completed with all conditions for completion having been met. The sale entailed SBB losing its decisive influence in Nordiqus. In connection with this, SBB reported a capital profit of SEK -543m based on the difference between the assessed fair value of the net assets and their former carrying amount. Fair value was

assessed by applying an estimated depletion based on Nordiqus' financial position in relation to comparable companies. Of the capital profit, SEK -571m is attributable to the reversal of goodwill attributable to deferred tax and goodwill impairment of SEK -1,794m.

Profit/loss for the period, discontinued operations

The profit for the period from discontinued operations amounted to SEK -2,251m (550).

As of 22 November 2023, Nordiqus is reported as an associated company. For more information, see pages 25-26

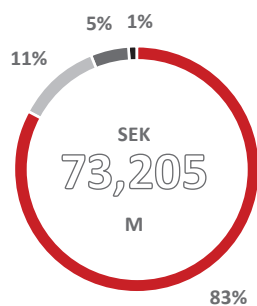
Discontinued operations

Amounts in SEKm	01-01-2023	01-01-2022	01-10-2023	01-10-2022
	21-11-2023	31-12-2022	21-11-2023	31-12-2022
Income	2,086	2,082	333	540
Operating costs	-248	-258	-42	-73
Maintenance	-58	-79	-12	-26
Property tax	-14	-14	-2	-4
Net operating income	1,766	1,731	278	438
Administration	-60	-89	-13	-28
Acquisition and restructuring costs	-142	-	-	-
Profit before financial items, value changes in properties and goodwill	1,564	1,642	265	410
Changes in value, property	-2,931	-890	-654	-1,100
Operating profit/loss	-1,367	752	-389	-690
Interest income, interest expenses and similar items	-577	-472	-102	-128
Translation gains/losses	23	-	22	-
Leasing costs	-6	-5	-1	-2
Profit before tax	-1,927	276	-470	-819
Tax for the year	-201	-17	-68	-10
Deferred tax	420	291	59	277
Net profit/loss	-1,708	550	-480	-553
Realized changes in value, properties	-1,287	-	-1,287	-
Deferred tax	2,538	-	2,538	-
Reversal of deferred tax regarding business combinations ¹⁾	571	-	-	-
Reversal of goodwill pertaining to deferred tax ¹⁾	-571	-	-	-
Impairment of goodwill ¹⁾	-1,794	-	-	-
Capital gains/losses	-543	-	1,251	-
PROFIT/LOSS FOR THE PERIOD, discontinued operations	-2,251	550	771	-553

1) In the fourth quarter 2023, reversal of deferred tax pertaining to business combinations, reversal of goodwill pertaining to deferred tax and impairment of goodwill were reported as part of capital gains/losses as they were directly attributable to the sale. In the third quarter 2023, these items were reported as part of the net profit/loss.

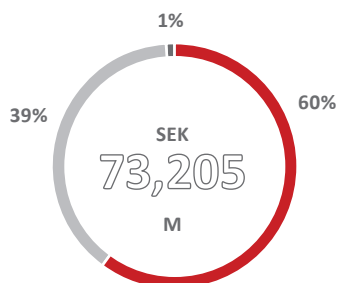
Property portfolio

Property value, by country



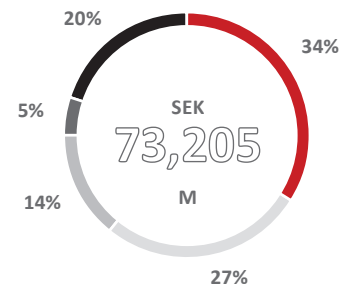
- 83% Sweden
- 11% Finland
- 5% Norway
- 1% Denmark

Property value per segment



- 60% Community
- 39% Residential
- 1% Education

Property value per region



- 34% University towns
- 27% Stockholm/Mälardalen
- 14% Oslo/Copenhagen/Helsinki
- 5% Gothenburg/Malmö
- 20% Other growth municipalities

Rental income by business area

Largest tenants (Community and Education)

Tenant	Rental income, rolling 12-month, SEKm	% of total
Attendo	165	5.7%
Esperi	113	3.9%
Norwegian state	97	3.4%
Finnish state	96	3.3%
Ambea	96	3.3%
Humana	89	3.1%
Swedish state	84	2.9%
Municipality of Boden	70	2.4%
Region Västra Götaland	70	2.4%
Municipality of Haninge	69	2.4%
Municipality of Skellefteå	67	2.3%
Municipality of Västerås	54	1.9%
City of Gothenburg	49	1.7%
Region Skåne	48	1.7%
Norlandia	44	1.5%
Municipality of Karlskrona	40	1.4%
Danish state	37	1.3%
Region Dalarna	35	1.2%
Region Värmland	34	1.2%
Telia Sverige AB	34	1.2%
20 largest tenants	1,391	48.1%
Other	1,500	51.9%
Total	2,892	100.0%

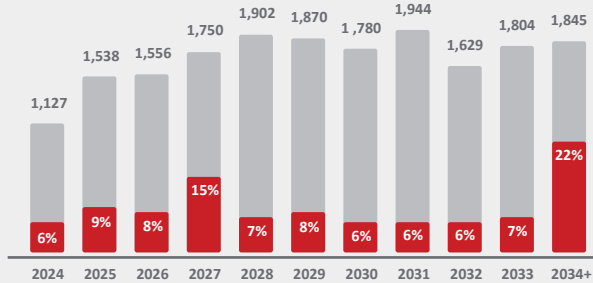
Largest municipalities (Residential)

Municipality	Number of apartments	No. thousand m ²	Rental income, rolling 12-month, SEKm	% of total
Linköping	1,537	109	135	9.8%
Skellefteå	1,359	99	122	8.8%
Jönköping	1,204	80	90	6.5%
Helsingborg	942	65	87	6.3%
Höganäs	744	57	77	5.6%
Östersund	675	57	67	4.8%
Falun	724	47	63	4.6%
Karlskrona	371	42	59	4.2%
Borås	506	39	51	3.7%
Södertälje	440	25	44	3.1%
Stockholm	327	25	41	3.0%
Kävlinge	407	27	39	2.8%
Sundbyberg	199	20	35	2.5%
Umeå	484	27	35	2.5%
Landskrona	366	28	34	2.5%
Avesta	475	32	31	2.3%
Borlänge	318	20	28	2.0%
Norrköping	271	19	25	1.8%
Eskilstuna	198	14	23	1.7%
Tierp	304	21	22	1.6%
20 largest municipalities	11,851	852	1,108	79.9%
Other	2,807	203	278	20.1%
Total	14,658	1,056	1,386	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	537	12,647	21,021	1,365	94%	665	1,239	422	--	3.74%
Stockholm/Mälardalen	153	7,919	32,112	3,018	95%	258	1,691	176	--	3.59%
Gothenburg/Malmö	231	5,674	23,467	256	97%	318	1,378	213	--	3.93%
Other municipalities	136	2,242	13,602	398	87%	145	1,069	76	--	4.13%
Total, Residentials	1,056	28,482	22,207	5,038	94%	1,386	1,313	887	--	3.79%
Community										
Sweden	1,455	31,695	19,603	3,170	95%	1,958	1,346	1,424	7	4.99%
Norway	148	3,848	24,693	190	94%	224	1,510	196	7	5.36%
Finland	317	7,862	24,588	70	90%	607	1,914	491	7	6.30%
Denmark	42	696	16,414	--	99%	65	1,532	52	4	7.48%
Total, Community	1,963	44,101	20,723	3,430	94%	2,853	1,454	2,163	7	5.32%
Education										
Sweden	20	465	16,672	135	100%	25	1,253	19	12	5.89%
Norway	-	--	-	--	-	-	-	--	-	-
Finland	-	--	-	--	-	-	-	--	-	-
Denmark	10	158	15,246	--	100%	14	1,319	11	9	6.96%
Total, Education	30	622	16,182	135	100%	38	1,276	30	11	6.24%
Total	3,048	73,205	21,192	8,603	94%	4,278	1,403	3,081	7	4.77%

Lease duration, Community / Education

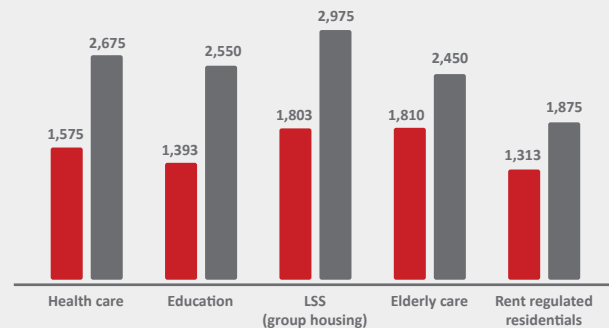


- Maturity structure
- Average rent on rental income in maturity structure

7 years

average remaining lease duration

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



- SBB
- New production

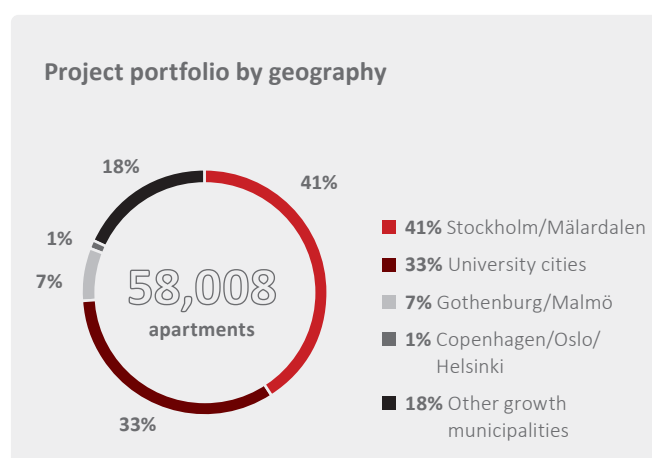
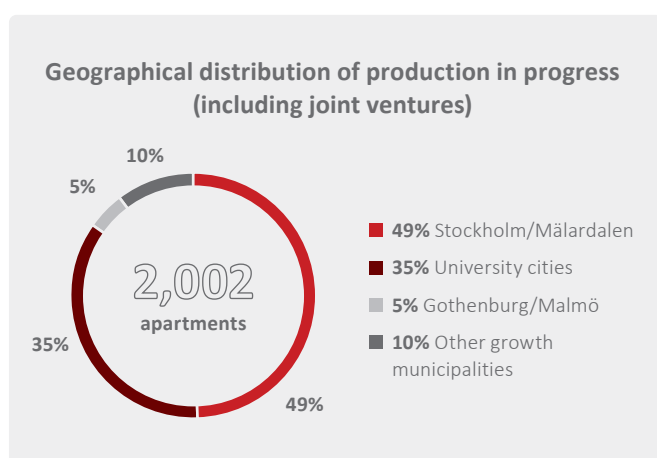
Source: Newsec

Production in progress

New production in progress and investments in existing portfolio

	2024 – 2025	2026-
Remaining investment including SBB's share of the joint venture¹⁾	1,365	-
-of which, Residentials	991	-
-of which, Education	0	-
-of which, Community	374	-
Future net operating income	219	-
-of which, Residentials	150	-
-of which, Education	0	-
-of which, Community	69	-
Return on remaining investment	16.0%	-

1) Of the total investment of SEK 1,365m, SEK 157m is financed via building credits and SEK 535m 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)	Developed (SEKm)	Continuing operations (SEKm)	Yield (rent)	Direct return (net operating income)
Residentials	100%	1,293	58,456	8	129	108	2,298	1,480	817	5.6%	4.7%
Joint ventures, Residentials	50%	608	34,871	3	91	77	1,518	1,192	327	6.0%	5.1%
Education	-	0	0	0	0	0	0	0	0	-	-
Joint ventures, Education	-	0	0	0	0	0	0	0	0	-	-
Community	100%	101	27,532	3	67	61	1,085	845	240	6.2%	5.6%
Joint ventures, Community	50%	0	7,038	1	12	10	271	40	231	4.4%	3.6%
Total	83%	2,002	127,897	15	299	256	5,172	3,558	1,615	5.8%	4.9%
SBB's share of total	100%	1,698	106,943		247	212	4,278	2,942	1,336	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	35,108	3	4	92	82	10	4.5%
Education	0	0	0	0	0	0	0
Community	2,090	2	3	53	34	19	5.4%
Total	37,198	5	7	145	116	29	4.8%

69%

degree of completion
production in progress

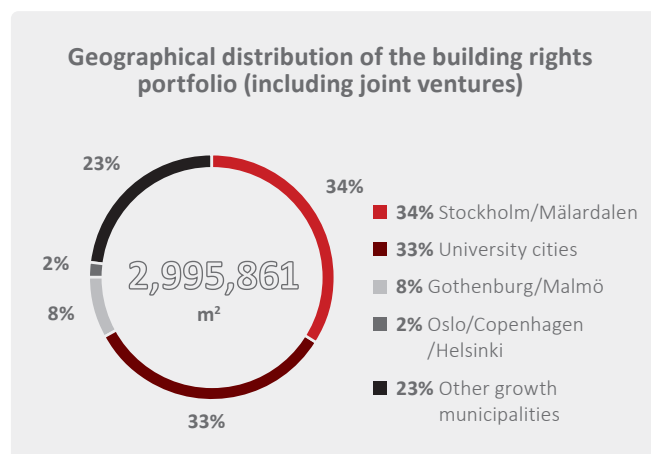
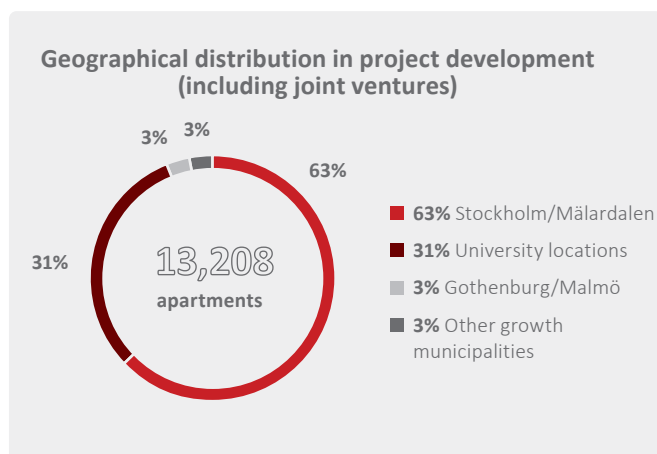
16.0%

return on remaining investment

90%

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%	9,035	485,393
Joint ventures, Residentials	48%	3,329	184,993
Education	100%	0	14,951
Joint ventures, Education	50%	0	6,440
Community	100%	844	100,969
Joint ventures, Community	50%	0	45,146
Total	87%	13,208	837,892
SBB's share of total	100%	11,469	714,439

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%	0	0	0	0	0	0	-
Education	100%	128,324	0	170,690	151,796	450,810	591,434	1,312
Community	100%	439,560	0	385,780	731,464	1,556,804	1,524,767	979
Total		567,884	0	556,470	883,260	2,007,614	2,116,202	1,054
Building rights in joint venture	49%					988,247	1,701,614	1,722
-of which, Residentials	50%					696,957	496,920	-
-of which, Education	50%					256,910	1,134,679	4,417
-of which, Community	30%					34,380	70,015	2,037
Total including joint ventures	77%					2,995,861	3,817,816	1,274
SBB's share of total	100%					2,533,937	2,955,249	1,166

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, as well as 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, Nordiqus AB and Public Property Invest AS.

SBB Residential Property AB

SBB Residential Property AB owns a housing portfolio comprising rent-regulated residentials. The company 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. As the shareholder agreement between the holders of ordinary shares and preference shares requires decisions to be made jointly, SBB exercises a significant, but not decisive, influence whereby the holdings are reported as associated companies following the issue.

SBB Kåpan Bostad AB

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

Nordiqus AB

Nordiqus AB was formed in 2022 and, as of 2023, owns and manages a portfolio comprising more than 600 educational properties across the Nordics. The portfolio consists of preschools, schools, elementary schools, high schools and universities.

Until 21 November 2023, Nordiqus was presented as a discontinued operation. See page 20 for more information.

Public Property Invest AS

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

Amounts in SEKm	31-12-2023				Total
	Residentials	Community	Education		
Book value 01-01-2023	10,318	2,331	-		12,649
Acquisitions for the year	3,442	-	10,643		14,085
Shareholder contributions	375	64	-		439
Dividends for the year	-278	-5	-		-283
Disposals for the year	-6,315	-11	-		-6,327
Reclassification	-33	-	-		-33
Translation differences	-	-111	-		-111
Impairment for the year	-347	-63	-		-411
Share of profit	-1,201	-466	-467		-2,133
Book value 31-12-2023	5,961	1,738	10,176		17,876

Business area	Residentials		Residentials		Community		Education	
	SBB Residential Property AB		SBB Kåpan Bostad AB		Public Property Invest AS		Nordiqus AB	
	16-08-2023	01-01-2022	01-01-2023	01-01-2022	01-01-2023	01-01-2022	22-11-2023	01-01-2022
	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022
<i>SBB's holding</i>	100% ¹⁾	-	50%	50%	45%	45%	49.84%	-
Rental income, SEKm	138	-	233	159	578	532	244	-
Net operating income, SEKm	82	-	171	85	472	439	199	-
Profit from property management, SEKm	-46	-	-	16	199	191	-5	-
Profit for the period, SEKm	-643	-	-644	-437	-903	-761	-937	-
SBB's share of profit from property management, SEKm	-46	-	-	8	89	86	-2	-
SBB's share of profit/loss, SEKm	-643	-	-322	-219	-405	-341	-467	-
Market value of properties, SEKm	6,000	-	6,693	6,031	8,229	9,987	40,358	-
Number of properties	172	-	24	23	48	48	652	-
Number of m ² , thousands	284	-	157	157	297	297	1,327	-
Economic letting ratio, %	92%	-	95%	94%	95%	94%	96%	-
Average lease term, years	N/A	-	N/A	N/A	5.2	5.7	12.6	-
Interest-bearing liabilities, SEKm	2,360	-	3,195	2,699	5,434	6,019	21,271	-
Average interest rate, %	13.00	-	5.64	3.98	4.50	3.67	3.65%	-
Debt maturity, years	4.63	-	0.76	1.22	1.20	1.70	2.3	-
Interest term, years	4.63	-	0.18	0.32	1.48	1.79	8.75	-
	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022	31-12-2023	31-12-2022
Participations in associated companies/joint ventures, SEKm	2,797	-	1,795	1,767	1,261	1,785	10,176	-

1) SBB's holding pertains to SBB's share of ordinary shares. Preference shares in SBB Residential Property AB are reported as a liability in SBB Residential Property AB. As the shareholder agreement between the holders of ordinary shares and preference shares requires decisions to be made jointly, SBB exercises a significant, but not decisive, influence whereby the holdings are reported as associated companies.

Business area	01-01-2023 – 31-12-2023				01-01-2022 – 31-12-2022			
	Residential	Community	Education	Total	Residential	Community	Education	Total
Share in the profit/loss of joint ventures and associated companies								
<i>Profit from property management</i>	65	108	-5	169	665	276	-	941
<i>Change in value</i>	-1,305	-621	-573	-2,498	-943	-1,027	-	-1,970
<i>Tax</i>	40	46	110	196	-9	-81	-	-90
Total share profit/loss in joint ventures and associated companies	-1,199	-467	-467	-2,133	-288	-832	-	-1,119
Profit from disposals of joint ventures and associated companies	-3,246	-169	-	-3,416	-	-	-	-
Impairment of shares and receivables in joint ventures and associated companies	-407	-62	-	-469	-625	-122	-	-747
Profit/loss from joint ventures and associated companies	-4,853	-698	-467	-6,017	-912	-954	-	-1,866

Business area	01-10-2023 – 31-12-2023				01-10-2022 – 31-12-2022			
	Residential	Community	Education	Total	Residential	Community	Education	Total
Share in the profit/loss of joint ventures and associated companies								
<i>Profit from property management</i>	-138	-5	-5	-147	267	47	-	314
<i>Change in value</i>	-750	-284	-573	-1,607	10	-1,012	-	-1,002
<i>Tax</i>	6	38	110	154	19	39	-	58
Total share profit/loss in joint ventures and associated companies	-881	-252	-467	-1,600	296	-926	-	-629
Profit from disposals of joint ventures and associated companies	24	-	-	24	-	-	-	-
Impairment of shares and receivables in joint ventures and associated companies	-62	-17	-	-79	-625	-122	-	-748
Profit/loss from joint ventures and associated companies	-919	-269	-467	-1,655	-329	-1,049	-	-1,378

Financing

SBB owns and manages a property portfolio with the capacity to generate increasing net operating income, during 2023 was the increase 10.9 percent like for like. The main part of SBB's financing is long-term and on favourable terms, the average interest rate was 1.78 percent at the end of 2023. A more difficult financing market, combined with negative speculation about the company's future during 2023, has led to financing processes becoming drawn out over time, and the company's liquidity decreasing. The increased interest rate and falling asset prices have created a need for SBB to reduce the absolute level of debt.

Over the year, SBB has completed transactions aimed at reducing its indebtedness. The company takes measures and conducts processes aimed at strengthening the company's conditions for managing short term financing, creating the conditions for new long-term financing and improving the general financial position.

For 2024, the market expects falling interest rates, improved access to the bond market and an improving real estate market. The market's belief in interest rates is illustrated by an inverted interest rate path, where long-term loans are priced lower than short-term loans. We see that real estate companies are receiving more favorable loans and that the pricing of real estate companies has improved.

Should SBB fail to complete these improvement measures and market conditions not improve in the manner expected 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.

In the long term, SBB intends to simplify the financing structure. The measures taken over the year have, however, been important for strengthening liquidity in the short term.

Key ratios	policy	31-12-2023	31-12-2022
Interest-bearing liabilities	-	62,093	87,085
Loan-to-value ratio	< 50%	54%	49%
Secured loan-to-value ratio	-	18%	21%
Interest-coverage ratio, multiple	> 2.0	2.3	3.9
Liquidity, SEKm	min. 3,000 ¹⁾	3,845	4,429
Sources of capital/uses of capital, next 12 months		0.8	
Capital maturities, years		3.6	3.9
Interest term, years		3.4	3.2

1) as of 31-12-2024

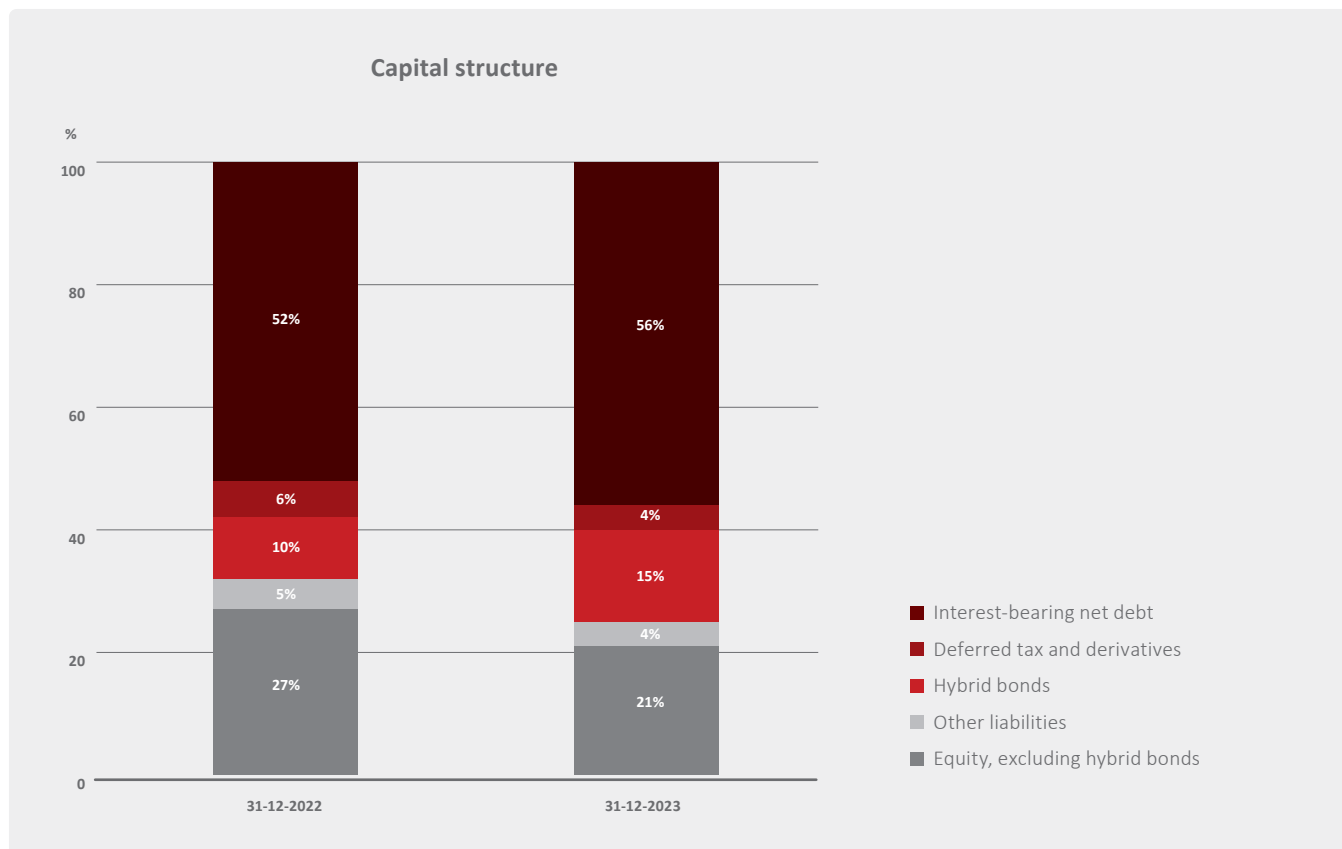
Interest-bearing liabilities decreased by SEK 24,992m

SBB has decreased its liabilities by SEK 6,369m over the quarter and by SEK 24,992m over 2023 as a whole. The loan-to-value ratio has nonetheless increased to 54 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. As of 31 December 2023, the difference between the market value and book value of the company's liabilities was SEK 13,426m.

Need to raise credit scores

Over the year, both S&P's and Fitch's credit rating has been lowered from BBB- to CCC+ with a negative outlook. Both credit ratings are under review ("Rating watch").

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



Liquidity

SBB has implemented, and intends to implement, a large number of transactions to ensure sufficient liquidity. While it was difficult to sell major property portfolios in 2023, SBB did have opportunities to divest individual properties. SBB assesses that the property market will be stronger in 2024 and that the number of transactions will increase. SBB intends to present additional sales on an ongoing basis as these processes are completed.

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

SBB works with 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.

A cautious stance on new projects will have better effect on the cash flow from property operations.

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.

As of 31 December 2023, SBB has no commercial papers outstanding.

General uncertainty in the market and specific uncertainty for SBB has made it difficult to extend bank loans far in advance. Maturing bank loans are considered extendable, as also occurred in the amount of SEK 100m during the quarter. Over the period, SBB has raised new secured financing of NOK 400m with a Nordic bank.

If bank loans are not renewed, full collateral is released that can be used for loans by new financiers.

SBB has shown that despite a difficult market in 2022 and 2023, the company can attract both equity and borrowed capital. SBB has initiated collaborations with Brookfield and Morgan Stanley during this period and SBB is in several discussions about new or expanded collaborations with the aim of further strengthening SBB's financial position.

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

Sources of capital, next 12 months, SEKm	Total
Existing	
Cash	3,845
Cash investments	214
Property sales, signed	322
SBB Infrastructure AB financing	5,183
Earnings capacity	2,471
Total existing sources of capital	12,035
Expected¹⁾	
Refinancing of bank loans	7,878
Total expected sources of capital¹⁾	7,878
Total existing and expected sources of capital	19,913

1) Associated with uncertainty

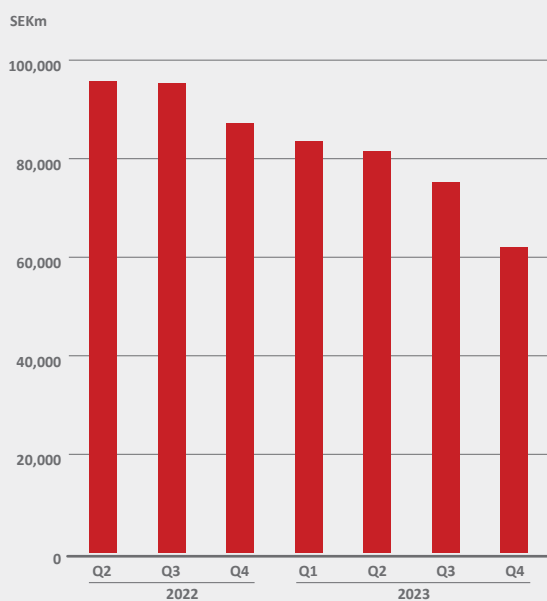
Uses of capital, next 12 months, SEKm	Total
Bonds	2,595
Bank loans	7,878
Dividend	2,133
Hybrid coupons	552
Net investments, new construction	992
Net investments, ongoing	387
Property acquisitions	128
Total capital use	14,665

Interest and capital maturities

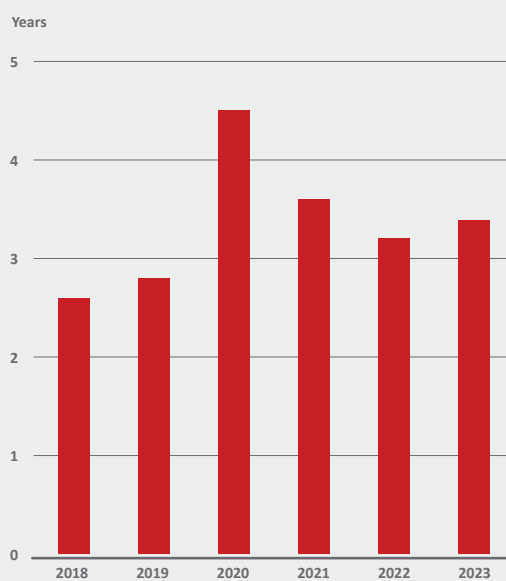
The advantage with long-term financing is that interest expenses change slowly as interest rates rise. SBB's average interest rate of 1.78 percent is significantly below prevailing market interest rates. The interest rate on SBB's long-term bond financing is particularly favourable.

Over the past 18 months, indebtedness has decreased by SEK 33,533m. SBB is working actively to reduce its absolute level of debt. By repaying loans on maturity, the effects of higher interest rates are reduced.

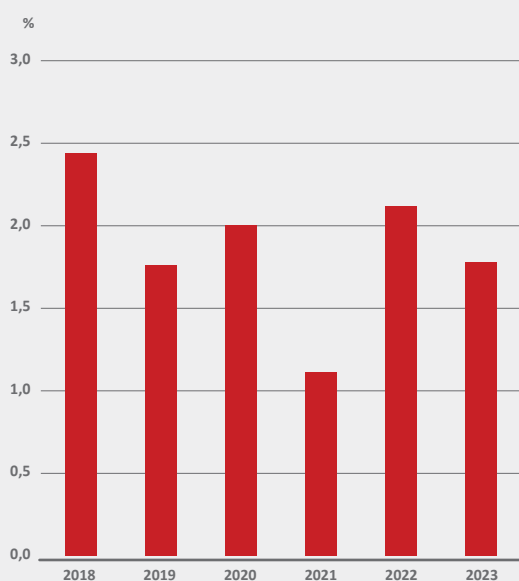
Debt



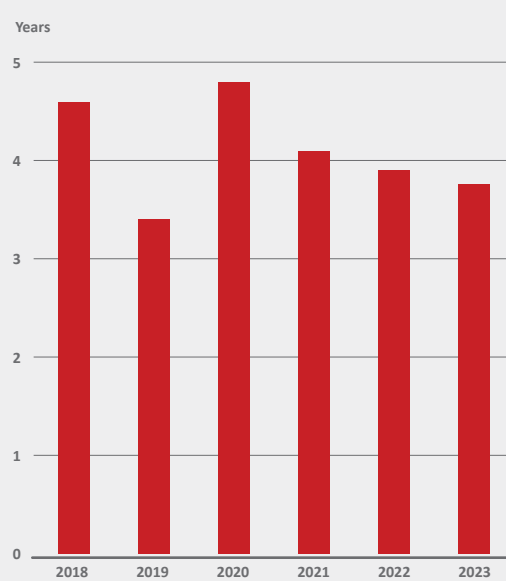
Interest maturities



Average interest rate



Capital maturities



Capital maturities

(SEKm)	Unsecured debt, nominal	Secured debt, nominal	Total nominal debt	Share, %
Q1 2024	1,806	2,134	3,940	6%
Q2 2024	321	1,795	2,116	3%
Q3 2024	-	3,245	3,245	5%
Q4 2024	468	704	1,171	2%
Next 12 months	2,595	7,878	10,473	17%
2025	6,138	2,104	8,242	13%
2026	5,548	1,439	6,987	11%
2027	9,868	4,424	14,292	23%
2028	7,767	483	8,250	13%
2029	10,541	90	10,631	17%
2030	-	89	89	0%
2031	-	90	90	0%
>2031	1,057	2,273	3,330	5%
Total	43,514	18,870	62,384	100%

Interest maturities

(SEKm)	Unsecured debt, nominal	Secured debt, nominal	Total nominal debt	Share, %	Debt including interest rate hedges ¹⁾	Share, including interest rate hedges, %	Average interest rate, including interest rate hedges, %
2024	5,202	14,449	19,651	32%	10,981	18%	2.56%
2025	4,575	-	4,575	7%	7,809	13%	1.46%
2026	5,548	75	5,623	9%	7,923	13%	1.86%
2027	8,824	4,345	13,170	21%	15,456	25%	2.01%
2028	7,767	-	7,767	13%	8,267	13%	0.85%
2029	10,541	-	10,541	17%	10,322	17%	1.31%
2030	-	-	-	0%	582	1%	0.64%
2031	-	-	-	0%	-	0%	0.00%
>2031	1,057	-	1,057	2%	1,095	2%	4.48%
Total	43,514	18,870	62,384	100%	62,436	100%	1.78%

1) Including cross currency basis swaps

Reconciliation nominal liability

	SEKm	Share, %
Non-current liabilities		
Liabilities attributable to credit institutions	11,116	18%
Bonds	40,540	65%
Current liabilities		
Liabilities attributable to credit institutions	7,861	13%
Bond loans	2,576	4%
Total interest-bearing liabilities	62,093	100%
Accrued loan expenses and premiums/discounts	291	
Total nominal liability	62,384	

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 consumption and climate impact by 5 percent annually
- At least 50 percent of new production must be built of wood from certified forestry
- The entire property portfolio and all new production must be within ten minutes walking distance from public transport
- Reduced water consumption by 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. Analysis company Sustainalytics assesses SBB's ESG-risk as very low at 12.0 (on a scale from 0 to 50, the limit for negligible risk is 10) and risk management is considered 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 fourth quarter of 2023

During the quarter, SBB continued its certification work in accordance with Miljöbyggnad iDrift (Environmental building in use). A number of different property types have been certified, including residential and community service buildings around the Nordic region. During the quarter, the certification of five properties was completed. In total, 22 properties were certified in accordance with Miljöbyggnad (Environmental building) or Miljöbyggnad iDrift (Environmental building in operation) in 2023, corresponding to about 5 percent of the total market value. Of these, 17 properties (3.8 percent) belonged to the Community business area and five properties (1.2 percent) belonged to Residential. All new construction projects ongoing during the quarter included solar power.

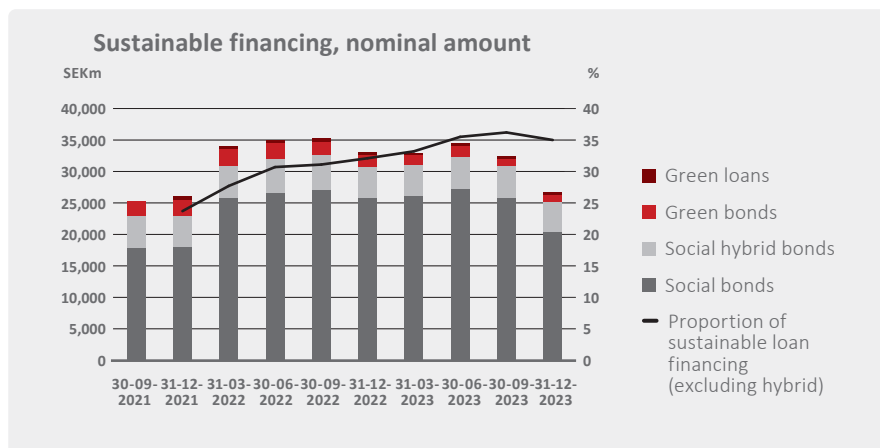
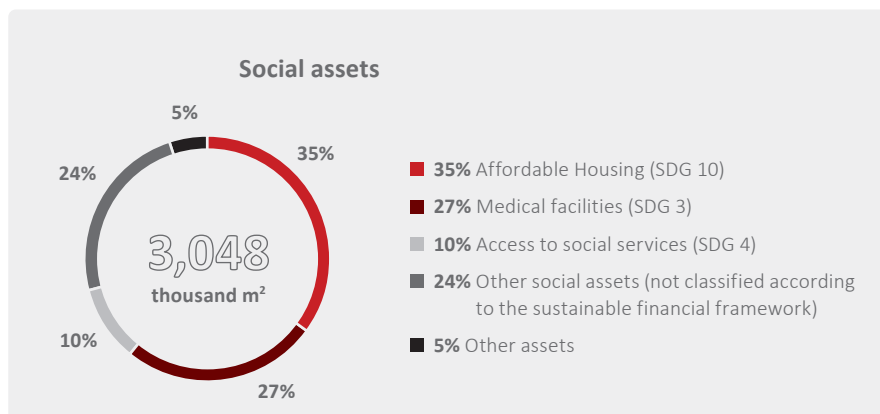
Social sustainability

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 fourth quarter of 2023

As of 31 December, SBB held social assets of a total 2,180 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 properties of some 718 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 project managers 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 managers.

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 fourth quarter of 2023

As of 31 December, social bonds, green bonds and green loans made up 35 percent of the total debt portfolio, refers to nominal amounts (excluding social hybrid bonds).

New construction projects in progress Q4 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	9	4	44%	5	56%	100%	56%
Number of m ²	55,780	10,958	20%	39,260	70%	100%	43%

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

	Community				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	
Solar panels	9	2	607	51	-	-	-	-	8	-	1,086	-	0.3%
Heat pump	1	1	-	80	1	-	50	-	2	1	982	1,400	0.5%
Energy-efficient heating and ventilation	13	2	1,980	1,098	-	-	-	-	4	-	266	-	0.6%
Control and regulation technology	4	1	550	22	1	-	-	-	2	5	32	202	0.2%
Energy efficient lighting	1	-	200	-	-	-	-	-	-	1	-	13	0.0%
Other	3	-	197	-	-	-	-	-	1	-	-	-	0.0%
Total	31	6	3,534	1,251	2	-	50	-	17	7	2,366	1,615	1.6%

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 31 December, 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. Ordinary Class B shares were trading at SEK 5.06, and Class D shares at SEK 6.05 on 31 December 2023. The market capitalization of the Class B shares (including the value of unlisted Class A ordinary shares at the same price) was SEK 7,358m, for the Class D shares, it was SEK 1,173m.

SBB's share is liquid and has been part of OMXS30 since 1 July 2022. Over the past 12 months, an average of approximately 38.2m Class B shares were traded per day for an average daily value of approximately SEK 268.6m. SBB works actively with its investor base by participating in roadshows, presentations and events for private and institutional investors.

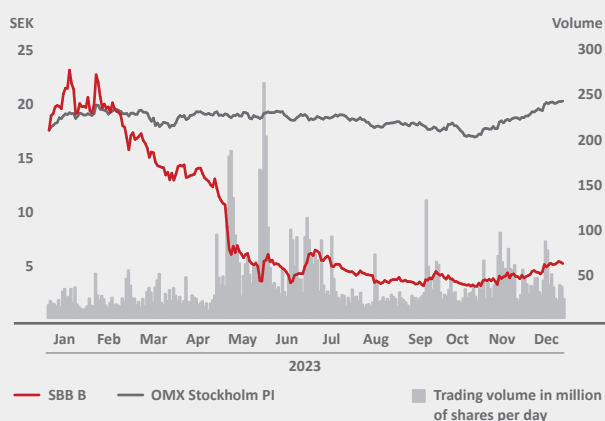
Shareholders

At the end of the fourth quarter of 2023, there were 227,604 known shareholders, corresponding to a decrease of 11.8 percent compared with the corresponding point in 2022. On 31 December 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	
	31-12-2023	31-12-2022
Class B shares	5.06	17.38
Class D shares	6.05	18.90

	Average daily turnover, SEKm	
	Jan-Dec 2023	Jan-Dec 2022
Class B shares	268.6	465.6
Class D shares	13.1	29.7

Class B share trend, past 12 months



Class D share trend, past 12 months



Shareholder structure as of 31 December 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%	31.60%
Arvid Svensson Invest	42,444,700	24,199,429	-	4.04%	12.68%
Dragfast AB	36,163,467	15,500,000	1,700,000	3.24%	10.71%
Sven-Olof Johansson	22,315,456	32,684,544	-	3.34%	7.23%
BlackRock	-	80,553,193	11,197	4.89%	2.28%
Avanza Pension	-	51,654,956	19,279,811	4.30%	2.00%
Vanguard	-	43,854,698	7,073,261	3.09%	1.44%
Dibber AS	-	-	44,197,779	2.68%	1.25%
Futur Pension	-	33,843,357	2,290,528	2.19%	1.02%
Swedbank Försäkring	-	27,708,682	4,239,993	1.94%	0.90%
Marjan Dragicevic	-	28,000,000	2,400,000	1.84%	0.86%
Handelsbanken Fonder	-	26,059,979	3,232,864	1.78%	0.83%
Gösta Welandson and companies	-	23,146,364	224,000	1.42%	0.66%
Lennart Schuss	-	20,943,334	-	1.27%	0.59%
Storebrand Fonder	-	19,078,490	-	1.16%	0.54%
Other	-	790,719,211	108,186,472	54.53%	25.40%
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 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Net sales	-	-	-	-
Personnel costs	-83	-86	-27	-11
Other operating expenses	-225	-115	-50	-24
Operating profit	-309	-201	-77	-35
Profit from financial items				
Results from associated companies/joint ventures	-3,787	-111	-105	-204
Interest income and similar items	9,516	2,958	3,796	570
Interest expenses and similar items	-9,861	-2,579	-5,984	-274
Translation gains/losses	527	-2,734	1,423	-771
Changes in value, derivatives	-2,439	265	-498	-632
Profit after financial items	-6,354	-2,402	-1,445	-1,346
Appropriations	192	781	192	781
Profit before tax	-6,161	-1,621	-1,253	-565
Tax	284	103	126	170
PROFIT/LOSS FOR THE PERIOD	-5,878	-1,518	-1,128	-395

Statement of comprehensive income of Parent Company

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Profit for the period	-5,878	-1,518	-1,128	-395
Other comprehensive income	-	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	-5,878	-1,518	-1,128	-395

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 35 employees. Personnel costs and other costs totalled SEK -309m (-201).

Parent Company balance sheet, condensed

Amounts in SEKm	31-12-2023	31-12-2022
ASSETS		
Fixed assets		
Financial fixed assets		
Shares in Group companies	28,168	28,213
Participations in associated companies/joint ventures	10,443	7,103
Receivables from Group companies	-	29,098
Receivables from associated companies/joint ventures	4,612	55
Deferred tax assets	774	400
Financial fixed assets at fair value	752	1,102
Derivatives	470	1,501
Other non-current receivables	1,382	-
Total financial fixed asset	46,600	67,472
Total fixed assets	46,600	67,472
Current assets		
Current receivables		
Financial fixed assets at fair value	726	-
Derivatives	203	174
Accounts receivable	1	14
Current tax assets	52	-
Other receivables	14	727
Prepaid expenses and accrued income	151	93
Total current receivables	1,147	1,008
Cash investments	173	421
Cash and bank balances	3,463	4,658
Total current assets	4,783	6,087
TOTAL ASSETS	51,384	73,559
EQUITY AND LIABILITIES		
<i>Restricted equity</i>		
Share capital	165	165
<i>Unrestricted equity</i>		
Share premium fund	27,712	27,712
Retained earnings	-20,969	-16,937
Hybrid bonds	16,480	16,524
Profit for the year	-5,878	-1,518
Total non-restricted equity	17,345	25,781
Total equity	17,510	25,946
Untaxed reserves	85	85
Long-term liabilities		
Liabilities to credit institutions	1,798	13,724
Bond loans	22,058	22,842
Liabilities to Group companies	2,763	-
Derivatives	264	375
Total long-term liabilities	26,883	36,941
Current liabilities		
Liabilities to credit institutions	2,244	1,392
Commercial papers	-	1,111
Bond loans	685	3,466
Derivatives	1,290	596
Accounts payable	5	36
Current tax liabilities	-	100
Liability, cash collateral	-	2,178
Other liabilities	156	176
Liability, dividend	2,133	834
Accrued expenses and prepaid income	394	698
Total current liabilities	6,906	10,587
TOTAL EQUITY AND LIABILITIES	51,384	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 Corporate 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 40-44).
- Updated calculations for EPRA earnings, see definition on p 38.

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, Community and Education. 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 (without recalculation to continuing operations).

Risks and uncertainties

A property company is exposed to various risks and opportunities in its operations. To limit the exposure to various risks, SBB has set out and adheres to internal regulations and policies. These are detailed on pages 72-73 in SBB's 2022 Annual Report.

The bondholder who made claims against SBB under the EMTN programs for 2020 and 2021 has now initiated formal legal action. The bondholder's holdings correspond to a nominal amount of about EUR 46m distributed across both EMTN programs. In the claim, the bondholder maintains that the bond holding has fallen due for payment as SBB, in the bondholder's opinion, has violated the terms regarding interest coverage ratio in the EMTN programs.

SBB has for some time now engaged experienced legal and financial advisers. SBB continues to make the assessment that the company has not violated the terms regarding the interest coverage ratio in the EMTN programs, whereby SBB takes the view that the company is likely to prevail in the legal case now initiated by the bondholder. However, a legal case always includes an element of uncertainty as a court may make a different assessment of a case in point. SBB makes the overall assessment that this will not have a significant impact on the preparation of this year-end report.

Reclassification, property administration

Amounts in SEKm	01-10-2022 – 31-12-2022			01-01-2022 – 31-12-2022		
	Before adjustment	Adjustment	After adjustment	Before adjustment	Adjustment	After adjustment
Rental income	1,850	-	1,850	7,447	-	7,447
Operating costs	-451	-	-451	-1,567	-	-1,567
Maintenance	-134	-	-134	-393	-	-393
Property administration	-117	117	-	-465	465	-
Property tax	-43	-	-43	-141	-	-141
Net operating income	1,105	117	1,222	4,881	465	5,346
Administration	-113	-117	-230	-433	-465	-898
Acquisition and restructuring costs	-24	-	-24	-120	-	-120
Profit before financial items, value changes in properties and goodwill	968	-	968	4,328	-	4,328

The Board of Directors and the CEO provide their assurance that the interim report provides a fair overview operations, position and results of the Parent Company and the Group and describes significant risks and uncertainties that affect the Parent Company and the companies included in the Group.

Stockholm, 27 February 2024

Lennart Schuss
Chairman of the Board

Leiv Synnes
CEO

Sven-Olof Johansson
Board Member

Ilija Batljan
Board Member

Lars Rodert
Board Member

Anne-Grete Strøm-Erichsen
Board Member

Hans Runesten
Board Member

This interim report has not been subject to review by the company's auditors.

Leiv Synnes, CEO, ir@sbbnorden.se

This information is such that Samhällsbyggnadsbolaget i Norden AB (publ) is obliged to publish in accordance with the EU Market Abuse Regulation. The information was submitted by the below contact persons for publication on 27 February 2024 at 8:00 a.m. CET.

Helena Lindahl, IR, ir@sbbnorden.se

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 deferred tax of 5.15 percent, with the exception of residential 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.*

Loan-to-value ratio (Solvency ratio), %

Interest-bearing net debt in relation to total assets. *The key ratio is used to illustrate SBB's financial risk.*

Non-pledged quota, multiple

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

Non-pledged property value, SEK

Reported market value less 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 financial items, value changes, property and goodwill, incl. interest income, interest expenses, expenses for loans redeemed prematurely, and ground rent, as well as Profit from property management in associated companies/joint ventures.

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 shareholder 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, bond loans and commercial papers less cash and cash investments.

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, 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 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Profit for the period	-22,740	-9,811	-4,181	-7,950
OB equity	63,337	82,971	50,354	77,049
CB equity	35,981	63,337	35,981	63,337
Average equity	49,659	73,154	43,168	70,193
Return on equity	-46%	-13%	-10%	-11%

Loan-to-value ratio

Amounts in SEKm	31-12-2023	31-12-2022
Interest-bearing liabilities	62,093	87,085
Cash and cash equivalents and cash investments	-4,060	-4,850
Interest-bearing net debt	58,033	82,235
Balance sheet total	106,957	168,370
Loan-to-value ratio	54%	49%

Yield

Amounts in SEKm	31-12-2023	31-12-2022
Net operating income according to earnings capacity (full year)	3,081	5,246
Investment properties	73,205	135,616
Building rights and projects in progress	-8,603	-13,647
Property value excluding building rights	64,602	121,969
Yield	4.8%	4.3%

Net operating income in accordance with earnings capacity

Amounts in SEKm	31-12-2023	31-12-2022
Net operating income, <i>continuing operations</i>	3,209	3,615
Net operating income, <i>discontinued operations</i>	1,766	1,731
Adjustment to normalized net operating income	-1,893	-100
Net operating income in accordance with earnings capacity	3,081	5,246

Non-pledged quota

Amounts in SEKm	31-12-2023	31-12-2022
Intangible assets	1,542	5,283
Non-pledged property value	31,609	85,032
Land lease agreements	393	829
Equipment, machinery and installations	106	37
Deferred tax assets	1,074	1,220
Financial fixed assets, excluding derivatives and pledged shares	25,247	11,340
Cash investments	214	421
Accounts receivable and other receivables	707	1,540
Derivatives	684	1,696
Non-pledged assets	61,576	107,398
Unsecured loans	42,771	52,423
Cash and cash equivalents	-3,845	-4,429
Net unsecured senior debt	38,926	47,994
Non-pledged quota	1.58	2.24

Economic letting ratio

Amounts in SEKm	31-12-2023	31-12-2022
Rental income in accordance with earnings capacity	4,278	6,728
Rental value in accordance with earnings capacity	4,543	7,059
Economic letting ratio	94.2%	95.3%

EPRA earnings

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Profit for the period	-22,740	-9,811	-4,181	-7,950
Unrealized changes in value, properties, continuing operations	11,763	3,526	2,743	2,869
Unrealized changes in value, properties, discontinued operations	2,931	890	654	1,100
Profit/loss on property sales, continuing operations	1,512	3,357	40	-373
Tax on profit/loss on sales of properties	-	19	-	19
Impairment of goodwill, continuing operations	1,150	395	1,150	395
Impairment of goodwill, discontinued operations	2,365	-	-	-
Changes in the value of financial instruments	2,698	1,136	501	-24
Tax in respect of EPRA adjustments	-5,153	-674	-2,789	-638
Adjustments in respect of associated companies/joint ventures	5,777	2,524	1,319	1,756
Adjustments in respect of minority interests	20	-41	424	2
EPRA earnings	324	1,321	-140	-2,844
Average number of Class A and B ordinary shares	1,454,345,401	1,453,854,227	1,454,412,988	1,454,141,898
Average number of Class A and B ordinary shares after dilution	1,454,345,401	1,453,854,227	1,454,412,988	1,454,141,898
EPRA Earnings per Class A and B ordinary share	0.22	0.91	-0.10	-1.96
EPRA Earnings per Class A and B ordinary share after dilution	0.22	0.91	-0.10	-1.96
Company specific adjustments				
Profit attributable to Class D shares	-388	-388	-97	-97
Profit attributable to hybrid bond	-548	-490	-131	-108
EPRA Earnings (Company specific)	-612	443	-368	-3,048
EPRA Earnings (Company specific) per Class A and B ordinary share	-0.42	0.30	-0.25	-2.10
EPRA Earnings (Company specific) per Class A and B ordinary share after dilution	-0.42	0.30	-0.25	-2.10

Profit from property management, excl translation gains/losses

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Continuing operations				
Profit before financial items, value changes in properties and goodwill	2,241	2,686	368	557
Interest income and similar items	420	238	242	58
Interest expenses and similar items	-1,406	-1,054	-430	-399
Expenses for redeemed loans in advance	-118	424	-5	429
Leasing costs	-10	-19	-4	-5
Profit from property management from associated companies/joint ventures	169	941	-147	314
Profit from property management, continuing operations	1,296	3,216	24	955
Discontinued operations				
Profit before financial items, value changes in properties and goodwill	1,564	1,642	265	410
Interest income and similar items	5	1	4	-
Interest expenses and similar items	-582	-472	-106	-128
Leasing costs	-6	-5	-1	-2
Profit from property management, excl translation gains/losses	2,277	4,382	186	1,236

Adjusted equity/assets ratio

Amounts in SEKm	31-12-2023	31-12-2022
Equity	35,981	63,337
Deferred tax excl. deferred tax attr. to goodwill	2,407	7,726
Total	38,388	71,063
Balance sheet total	106,957	168,370
Adjusted equity/assets ratio	36%	42%

Profit before financial items

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Continuing operations				
Profit before financial items, value changes in properties and goodwill	2,241	2,686	368	557
Result from associated comp/JV excl. value changes after tax	-240	658	-336	1,914
Profit before financial items	2,001	3,344	32	2,471

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

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Continuing operations				
Profit for the period	-20,488	-10,361	-4,952	-7,397
Profit attributable to Class D shares	-388	-388	-97	-97
Profit attributable to hybrid bond	-548	-490	-131	-108
Profit attributable to minority interest	-464	177	-32	46
Profit attributable to Class A and B ordinary shares	-21,888	-11,062	-5,212	-7,556
Average No. Class A and B ordinary shares	1,454,345,401	1,453,854,227	1,454,412,988	1,454,141,898
Earnings per Class A and B ordinary share	-15.05	-7.61	-3.58	-5.20
Average number of Class A and B ordinary shares after dilution	1,454,345,401	1,453,854,227	1,454,412,988	1,454,141,898
Earnings per Class A and B ordinary share after dilution	-15.05	-7.61	-3.58	-5.20

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

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Discontinued operations				
Profit for the period	-2,251	550	771	-553
Profit attributable to Class D shares	-388	-388	-97	-97
Profit attributable to hybrid bond	-548	-490	-131	-108
Profit attributable to minority interest	-464	177	-32	46
Profit attributable to Class A and B ordinary shares	-3,651	-150	512	-711
Average No. Class A and B ordinary shares	1,454,345,401	1,453,854,227	1,454,412,988	1,454,141,898
Earnings per Class A and B ordinary share	-2.51	-0.10	0.35	-0.49
Average number of Class A and B ordinary shares after dilution	1,454,345,401	1,453,854,227	1,454,412,988	1,454,141,898
Earnings per Class A and B ordinary share after dilution	-2.51	-0.10	0.35	-0.49

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

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Profit for the period	-22,740	-9,811	-4,181	-7,949
Profit attributable to Class D shares	-388	-388	-97	-97
Profit attributable to hybrid bond	-548	-490	-131	-108
Profit attributable to minority interest	-464	177	-32	46
Profit attributable to Class A and B ordinary shares	-24,139	-10,511	-4,440	-8,107
Average No. Class A and B ordinary shares	1,454,345,401	1,453,854,227	1,454,412,988	1,454,141,898
Earnings per Class A and B ordinary share	-16.60	-7.23	-3.05	-5.58
Average number of Class A and B ordinary shares after dilution	1,454,345,401	1,453,854,227	1,454,412,988	1,454,141,898
Earnings per Class A and B ordinary share after dilution	-16.60	-7.23	-3.05	-5.58

Interest-bearing liabilities

Amounts in SEKm	31-12-2023	31-12-2022
Liabilities to credit institutions	18,976	33,896
Bond loans	43,117	52,078
Commercial papers	-	1,111
Interest-bearing liabilities	62,093	87,085

Interest-bearing net debt

Amounts in SEKm	31-12-2023	31-12-2022
Interest-bearing liabilities	62,093	87,085
Cash and cash equivalents and cash investments	-4,060	-4,850
Interest-bearing net debt	58,033	82,235

Interest coverage ratio (continuing and discontinued operations)

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022
Profit before financial items, value changes properties and goodwill (rolling 12-months), continuing operations	2,241	2,686
Profit before financial items, value changes properties and goodwill (rolling 12-months), discontinued operations	1,564	1,642
Profit from joint ventures and associated companies, excluding value changes after tax, continuing operations	-240	658
Total profit before financial items, value changes properties and goodwill (rolling 12-month)	3,565	4,986
Interest income and similar income items (rolling 12 months), continuing operations	420	238
Interest income and similar income items (rolling 12 months), discontinued operations	5	1
Interest income and similar items (rolling 12 months), continuing operations	-1,406	-1,054
Interest expenses and similar items (rolling 12-months), discontinued operations	-582	-472
Total net interest	-1,563	-1,287
Interest-coverage ratio (multiple)	2.3	3.9

Interest coverage ratio (continuing operations)

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022
Continuing operations		
Profit before financial items, value changes properties and goodwill (rolling 12-month)	2,241	2,686
Profit from joint ventures and associated companies, excluding value changes after tax	-240	658
Total profit before financial items, value changes properties and goodwill (rolling 12-month)	2,001	3,344
Continuing operations		
Interest income and similar income items (rolling 12 months)	420	238
Interest expenses and similar items (rolling 12-month)	-1,406	-1,054
Total net interest	-986	-816
Interest coverage ratio (multiple)	2.0	4.1

Equity/assets ratio

Amounts in SEKm	31-12-2023	31-12-2022
Equity	35,981	63,337
Balance sheet total	106,957	168,370
Equity/assets ratio	34%	38%

Equity ratio

Amounts in SEKm	31-12-2023	31-12-2022
Current net asset value (EPRA NTA)		
<i>Equity excluding non-controlling interests</i>		
Equity	35,981	63,337
Hybrid bonds	-16,777	-16,821
Non-controlling interest	-2,445	-2,691
Equity excluding non-controlling interests and hybrid bonds	16,759	43,823
Reversal of derivatives	870	-725
Goodwill attributable to deferred tax	-319	-1,394
Other goodwill	-1,223	-3,889
Stamp duty	220	221
Reversal of deferred tax	2,726	9,120
Deduction of deferred tax	-491	-2,025
Total equity ratio	18,541	45,131
Number of shares A + B + D	1,648,481,553	1,648,007,803
Total equity ratio per share	11.25	27.39
Current equity ratio per Class D share ¹⁾	11.25	27.39
Number of Class D shares	193,865,905	193,865,905
Total equity ratio for Class D shares	2,181	5,309
Total equity ratio	18,541	45,131
Current net asset value (EPRA NTA)	16,361	39,822
Current net asset value (EPRA NTA), SEK/share	11.25	27.39
Current net asset value (EPRA NTA), SEK/share (diluted)	11.25	27.38
Long-term net asset value (EPRA NRV)		
Total equity ratio	18,541	45,131
Reversal of other goodwill	1,223	3,889
Reversal of deduction for deferred taxes	491	2,025
Total equity ratio after reversal of other goodwill and deductions for deferred tax	20,255	51,045
Number of shares A + B + D	1,648,481,553	1,648,007,803
Total equity ratio after reversal of other goodwill and deductions for deferred tax per share (A+B+D)	12.29	30.97
Long-term equity ratio per class D share ¹⁾	12.29	30.97
Number of Class D shares	193,865,905	193,865,905
Total equity ratio for Class D shares	2,382	6,005
Total equity ratio	20,255	51,045
Long-term net asset value (EPRA NRV)	17,873	45,040
Long-term net asset value (EPRA NRV), SEK/share	12.29	30.97
Long-term net asset value (EPRA NRV), SEK/share (diluted)	12.29	30.97
Number of Class A and B ordinary shares	1,454,615,648	1,454,141,898
Number of Class A and B ordinary shares after dilution	1,454,615,648	1,454,536,323
Number of Class D shares	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	31-12-2023	31-12-2022
Liabilities to credit institutions	18,976	33,896
Other secured loans	345	766
Total secured liabilities	19,322	34,662
Balance sheet total	106,957	168,370
Secured loan-to-value ratio	18%	21%

Surplus ratio

Amounts in SEKm	01-01-2023 31-12-2023	01-01-2022 31-12-2022	01-10-2023 31-12-2023	01-10-2022 31-12-2022
Net operating income, continuing operations	3,209	3,615	713	784
Net operating income, discontinued operations	1,766	1,731	278	438
Net operating income, total operations	4,974	5,346	991	1,222
Rental income, continuing operations	4,581	5,365	1,069	1,309
Rental income, discontinued operations	2,086	2,082	333	540
Rental income, total operations	6,667	7,447	1,402	1,850
Surplus ratio	75%	72%	71%	66%

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 as of 31 December 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 31 December 2023. The rent for the residential apartments is calculated with an assumed rent increase of 5.00 percent for 2024.
- Operating and maintenance costs are based on budget.
- The property tax is calculated from the properties current tax assessment value as of 31 December 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

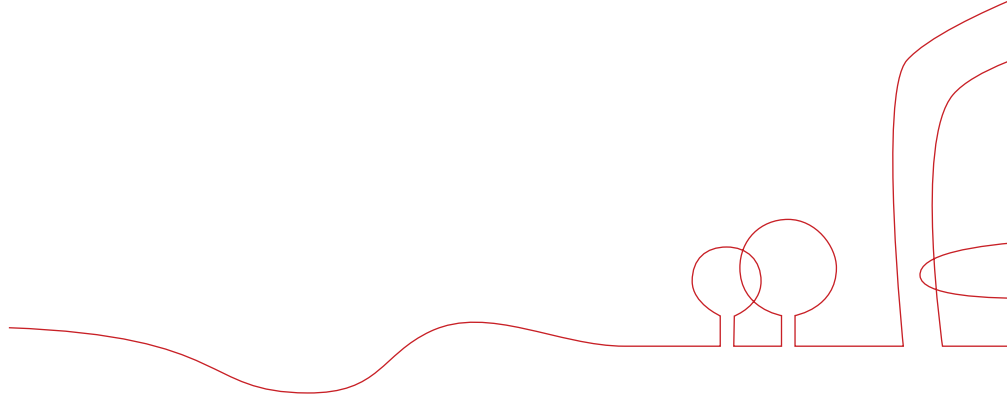
Amounts in SEKm	Residentials	Community	Education	Total
Rental income	1,386	2,853	38	4,278
Operating costs	-392	-498	-5	-895
Maintenance	-83	-138	-2	-223
Property tax	-24	-54	-	-78
Net operating income	887	2,163	30	3,081
Administration				-485
Profit before net financial items plus profit from joint ventures and associated companies				2,597
per Class A and B ordinary share				1.79
Profit from joint ventures/associated companies				727
Financial income				157
Financial costs ¹⁾				-977
Operating profit				2,504
per Class A and B ordinary share				1.72
Dividend hybrid bonds				-552
Dividend Class D shares				-388
Profit attributable to minority interests				-51
Profit attributable to ordinary shareholders				1,513
per Class A and B ordinary share				1.04

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 1.78 percent, which is the weighted average in the debt portfolio as of 31 December 2023.

Contributing to earnings capacity

	Joint ventures			Associated companies					
	SBB Residential Property AB	SBB Käpan Bostad AB	Other joint ventures	Nordiqus AB	Public Property Invest AS	Origa Care	Preservium Property	Publicus	Solon Eiendom
Share of capital SBB	100.0% ¹⁾	50.0%	50.0%	49.84%	44.8%	34.7%	34.7%	31.2%	25.0%
Profit from property management	-	53	10	1,053	316	33	37	17	-
Profit from property management attributable to SBB's share of capital	-	27	5	525	141	11	13	5	-

1) SBB's holding pertains to SBB's share of ordinary shares. Preference shares in SBB Residential Property AB are reported as a liability in SBB Residential Property AB. As the shareholder agreement between the holders of ordinary shares and preference shares requires decisions to be made jointly, SBB exercises a significant, but not decisive, influence whereby the holdings are reported as a joint venture.



Samhällsbyggnadsbolaget

Upcoming report dates

Interim report Q1 2024	26-04-2024
Interim report Q2 2024	16-07-2024
Interim report Q3 2024	25-10-2024

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