



Press release
30 April 2024

Correction regarding impairment of goodwill and reporting of sale of subsidiaries and repurchase of bonds for the fourth quarter 2023

Samhällsbyggnadsbolaget i Norden AB (publ) ("SBB") published on 27 February 2024 the year-end report for 2023 in which errors have been identified in connection with the finalisation of the annual report for 2023. The errors are attributable to the human factor. SBB has produced a correction sheet for the year-end report for 2023 which is available on SBB's website. It should be read together with the year-end report published on 27 February 2024. The errors identified and corrected relate to the impairment test of goodwill, the reporting of sale of subsidiaries and the reporting of bond repurchases. This has effects on the items: Change in value of properties, Impairment of goodwill, Interest income and similar items, Results of early repayment of loans, Deferred tax and Profit for the year, discontinued operations.

The correction sheet concerns, among other things, that the item Impairment of goodwill has been adjusted from SEK -1,150 million to 0. The correction has a positive effect on the result for the corrected fourth quarter of 2023. The result for the year has been adjusted from SEK -22,740 million to SEK -21,590 million. The interest coverage ratio, continuing and discontinued operations, has been adjusted from 2.3 to 2.1. See table below for more information.

Consolidated income statement (SEKm)	2023-01-01 – 2023-12-31		
	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



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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	1.6
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	0.7	12.99
Long-term net asset value (EPRA NRV) after dilution, SEK/share	12.29	0.7	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

The corrected consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity and consolidated cash flow statement are presented on the following pages.



Consolidated income statement

Amounts in SEKm	01-01-2023	01-01-2022	01-10-2023	01-10-2022
	31-12-2023	31-12-2022	31-12-2023	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
Profit for the period attributable to:				
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	01-01-2022	01-10-2023	01-10-2022
	31-12-2023	31-12-2022	31-12-2023	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
Comprehensive income for the period attributable to:				
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



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Consolidated balance sheet

Amounts in SEKm	31-12-2023	31-12-2022	Amounts in SEKm	31-12-2023	31-12-2022
ASSETS			EQUITY AND LIABILITIES		
Fixed assets			Share capital	165	165
Intangible assets			Other contributed capital	26,624	26,612
Goodwill	2,692	5,283	Reserves	-915	142
Total intangible assets	2,692	5,283	Retained earnings, incl. comprehensive income for the year	-7,967	16,905
Tangible assets			Equity attributable to Parent Company shareholders	17,909	43,825
Investment properties	73,205	135,616	Hybrid bonds	15,741	15,741
Land lease agreements	393	829	Other reserves	1,036	1,080
Equipment, machinery and installations	106	37	Non-controlling interest	2,445	2,691
Total tangible assets	73,704	136,482	Total equity	37,131	63,337
Financial fixed assets			Long-term liabilities		
Share in joint ventures and associated companies	17,876	12,649	Liabilities to credit institutions	11,116	30,496
Receivables from joint ventures and associated companies	4,839	1,737	Bond loans	40,540	48,310
Derivatives	481	1,696	Derivatives	264	375
Financial fixed assets at fair value	849	2,298	Deferred tax liabilities	2,726	9,120
Other non-current receivables	1,965	939	Leasing liabilities	393	829
Total financial fixed asset	26,009	19,319	Other non-current liabilities	92	141
Total fixed assets	102,405	161,084	Total long-term liabilities	55,131	89,271
Current assets			Current liabilities		
Properties held for sale	155	156	Liabilities to credit institutions	7,861	3,400
Current receivables			Commercial papers	-	1,111
Derivatives	203	-	Bond loans	2,576	3,768
Financial fixed assets at fair value	185	-	Derivatives	1,290	596
Accounts receivable	100	106	Accounts payable	121	456
Other receivables	607	1,434	Current tax liabilities	99	310
Prepaid expenses and accrued income	392	740	Liability, cash collateral	-	2,178
Total current receivables	1,487	2,280	Other liabilities	726	1,185
Cash investments	3,845	4,429	Approved dividend	2,133	834
Cash and cash equivalents	214	421	Accrued expenses and prepaid income	1,040	1,924
Total cash and cash equivalents and cash investments	4,060	4,850	Total current liabilities	15,845	15,762
Total current assets	5,702	7,286	TOTAL EQUITY AND LIABILITIES	108,107	168,370
TOTAL ASSETS	108,107	168,370			



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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



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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 above contact persons for publication on 30 April 2024 kl. 15:30 CEST.

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