

# SBB update on announced disposals

January 2020



Ulricehamn Svalan 7 – Care home



Linköping Adjunkten 2 – Elderly care



Sigtuna 2:227 – Pre-school



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# KEY UPDATES – SUCCESSFULLY DELIVERING ON THE BUSINESS PLAN

## 1 Acquisition of Hemfosa

- **Strong success** of the tender offer launched on November 2019
  - As of 23<sup>rd</sup> December 2019, SBB controlled **87.8%** of the shares in Hemfosa and declared the offer unconditional, extending the acceptance period
  - As of 10<sup>th</sup> January 2020, SBB controls **91.2%** of the shares in Hemfosa and confirms the clear path towards a successful 100% acquisition

## 2 Rights Issue

- **Successfully closed the SEK 1.5bn rights issue**
  - Significant demand from institutional investors, with a take-up including oversubscription of 97.4%
  - Such event is complemented by the SEK 400m equity raised prior the Hemfosa acquisition announcement
  - Proceeds used to strengthen the balance sheet and support growth

## 3 Hybrid issuance

- The company is ready to announce in the short term (Jan-2020) a **€500m hybrid bond**, as presented within the context of the Hemfosa acquisition

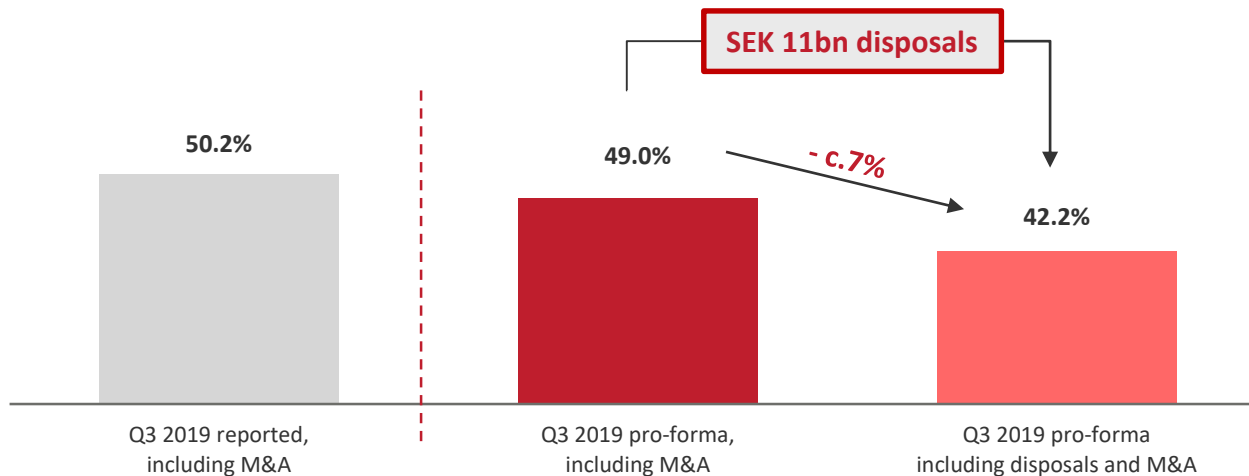
## 4 Disposals

- **December 2019:** SBB **successfully announced** in December 2019 **disposal** of 46 properties for an **agreed value exceeding SEK 1.0bn**, representing a sale **10% above book value**
- **January 2020:** SBB announced on 17<sup>th</sup> January 2020 the **ongoing negotiations regarding the sale of several portfolios for a total value of SEK 11bn**, expected to be executed at levels that exceed the latest valuation by 15%

SBB is well positioned to deliver on our deleveraging ambitions and continue to maintain a robust and healthy capital structure that supports for an early rating upgrade to BBB+

# ANNOUNCED DISPOSALS ACCELERATE OUR PATH TO ACHIEVING A BBB+ CREDIT RATING

## LTV as reported (hybrids at 100% equity, net debt as a % of total assets)



## Overview of announced disposal

- c.SEK 11bn of disposals announced 17<sup>th</sup> January 2020
- c.15% premium to September 2019 book value
- c.SEK 1.4bn of profit above book value
- Releases significant proceeds for deleveraging
- Accelerates our path to achieving a BBB+ credit rating

Source: Company information, reported figures as of 30-Sep-2019 (Q3 2019), if not otherwise stated pro-forma for publicly disclosed events, as follows: Investment in Amasten acquired for SEK 711m and afterwards divested in Q4 2019 for a total consideration of SEK 747m, c.5% above book value; SEK 0.9bn book value disposals announced (SEK 1.0bn proceeds) in Q4-2019 incurring a c.10% profit; SEK 3.3bn acquisitions already announced post Q3-2019 at combined SBB and Hemfosa levels; SEK 0.5bn B-shares raised at SBB level on Oct-2019 and SEK 1.5bn rights issued successfully executed at SBB level on Dec-2019; c.SEK 2.0bn hybrid repurchased and SEK 1.5bn hybrid issued at SBB level post Q3-2019; assumes the issuance of the c.€500m hybrid in the context of the Hemfosa acquisition; SEK 1.6bn bonds issued at SBB level post Q3-2019 and SEK 0.8bn bonds issued at Hemfosa level post Q3-2019