

Fabege's Interim Report

Jan-Jun 2021

Stefan Dahlbo, CEO

Åsa Bergström, CFO

Condensed income statement

SEKm	Jan-Jun 2021	Jan-Jun 2020
Rental income	1,422	1,407
Property expenses	-375	-361
Net operating surplus	1,047	1,046
Central administration	-62	-48
Net financial items	-240	-227
Ground rents	-18	-14
Share in profits of associated companies	-12	-29
Profit from property management	715	728
Realized changes in value, properties	56	25
Unrealized changes in value, properties	1,539	1,525
Changes in value, derivatives and equities	268	-293
Profit before tax	2,578	1,985
Tax	-532	-426
Profit for the period	2,046	1,559



- Rental growth in identical portfolio: approx. 0%
- Surplus ratio: 74% (74)
- Value growth 2.0%
- Earnings per share: SEK 6.32 (4.73)

Key ratios, Jan - Jun 2021

	2021 Jan-Jun	2020 Jan-Jun	Target
Equity per share, SEK	130	123	
EPRA NRV, SEK per share	160	150	
Total return properties, %	3.4	3.6	
Surplus ratio, %	74	74	75
Equity/assets ratio , %	51	53	>35
Loan-to-value ratio, %	36	34	<50
Debt ratio, multiple	14.1	12.1	<13
Interest coverage ratio, multiple	4.0	4.3	>2.2



Financing

Key ratios 30/06/21

- Total facilities SEK 37.0 bn
- Total loan SEK 28.3 bn
 - Of which bonds SEK 11.0 bn
 - Of which commercial paper SEK 2.4 bn
- 100% Green financing
- Unutilised SEK 3.8 bn
- Capital maturity 4.9 years
- Interest maturity 3.6 years

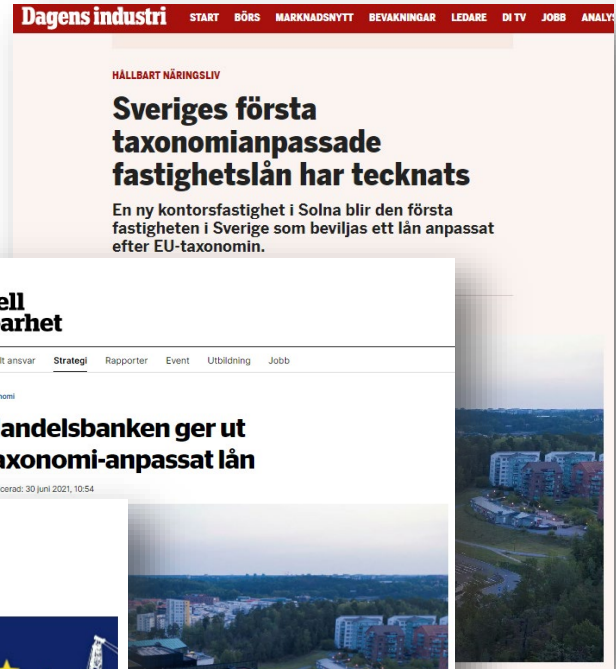


Activities during second quarter

- New taxonomy loan with Handelsbanken
- Extended MTN-line to SEK 12 bn
- Bond issues SEK 500m
- Commercial paper net issues SEK 450m
- Refinancing of bank loans according to plan

EU-taxonomy-adapted loan

- Property Signalen 3, Arenastaden
- Comprehensive analysis of material climate resilience risks
- EPC level A

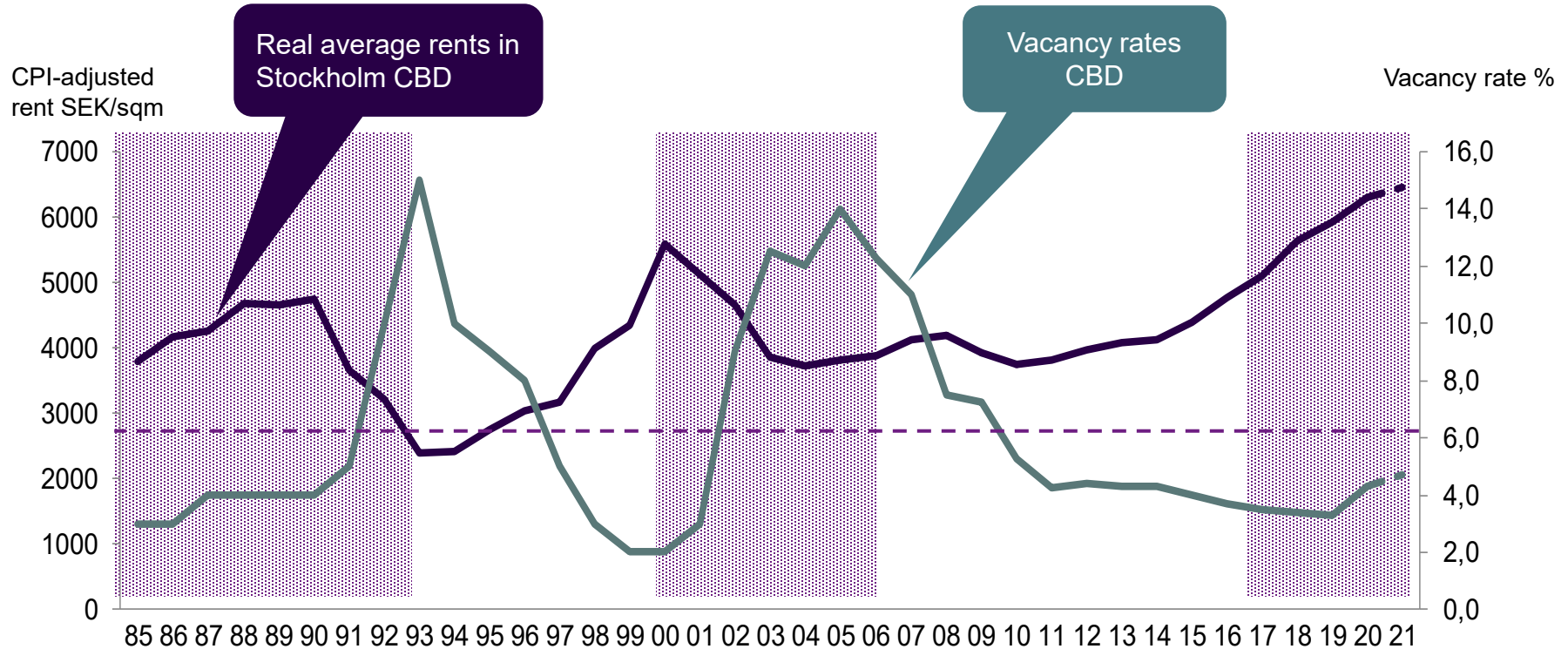




Rental market

- Stable rental levels, increasing activities and inquiries
- Great variation in the view of the development as a result of covid-19
- Net letting SEK 56m (20)
 - New leases 69 (51) rental value SEK 143m (93)
 - Terminations SEK 87m (73)
- Renegotiations +12% (16)

Real average rents and vacancy rate in CBD





Occupancy

- Occupancy rate 91%
- Same occupancy rate as Q4
- Management portfolio 92%
- No structural vacancies in the portfolio



Stable customers with long agreements

- Approx. 660 customers
 - SEB 2037, Telia Company 2031, ICA 2030, Swedbank 2029
- 25 largest customers represents 43% of rental value
- Segments
 - Office 83%
 - Retail 5%
 - Industry/warehouses 4%
 - Other 8%

Four dominant trends in the development of the office market



A digital transformation that affects everything



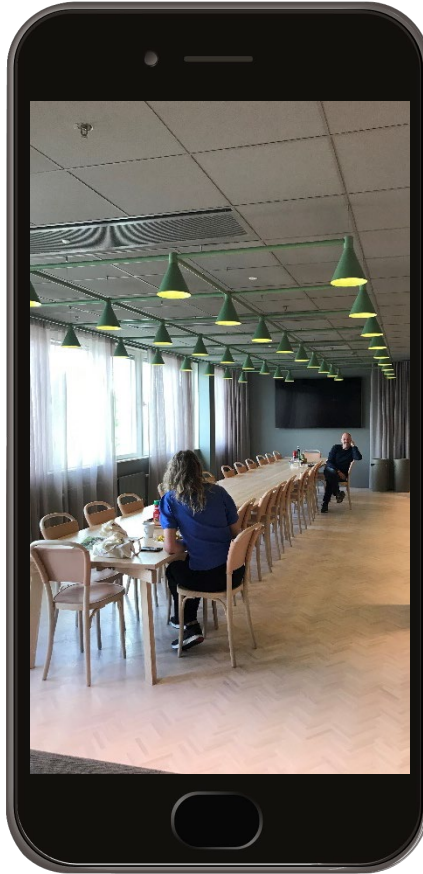
Need for flexibility, simplicity and service



Values, wellbeing and sustainability



A different office for a different future



The office and working life of the future - what do customers say?

- Desire to change and develop their offices
 - Larger investments in digital equipment/IT
 - Willing to invest in spatially expressing their brand and to strengthen the corporate culture and loyalty for the office and the company.
 - Flexibility, movable walls, more small rooms for digital meetings, sound are becoming more important issues
 - Less focus on traditional desktop locations
 - Looking for guidance now, but waiting for the employees' actual behaviors before deciding on changes



Project portfolio 30/06/21

- Area: 58,600 sqm
- Occupancy rate: 85%
- Investments Q1-Q2: 989 Mkr
 - Of which SEK 762m in the project portfolio
 - Of which SEK 227m in the management portfolio
- Unrealized value change: SEK 242m

Terminated projects



- House of Choice (Nationalarenan 3)
- First zero-energy hotel
- 19,100 sqm
- Comfort Hotel, Choice's new office och longstay



- Gårdsvägen 6 (Stigbygeln 2)
- 8,460 sqm
- WAW, conference space, Fabège's new hq, Basefarm etc



Initiated project

- The Royal Opera's and Dramatic Theatre's new studios, rehearsal rooms and workshops
- The local development plan gained legal approval on June 15, 2021
- The public procurement was completed in June 2021
- Occupancy 2024
- Approx. 11,900 sqm



Commercial building rights

- Just over 850,000 sqm (of which approx. 300,000 sqm can be initiated within 5 years)
- Locations:
 - Solna 43%
 - Flemingsberg 35%
 - Hammarby Sjöstad 8%
 - Inner city 4%
 - Other 10%





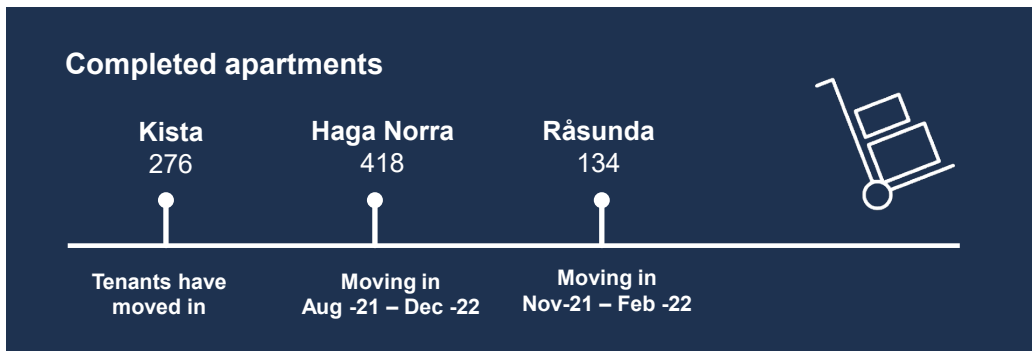
Residentials

- Over 500,000 sqm building rights
- Corresponds to about 8,000 apartments
- Mostly in Solna & Flemingsberg
- Focus on optimizing value creation

Residential projects

Joint ventures:

- SHH in Kista
- Brabo in Haga Norra
- TB Gruppen ni Råsunda



Arenastaden & Haga Norra



Haga Norra June 2021



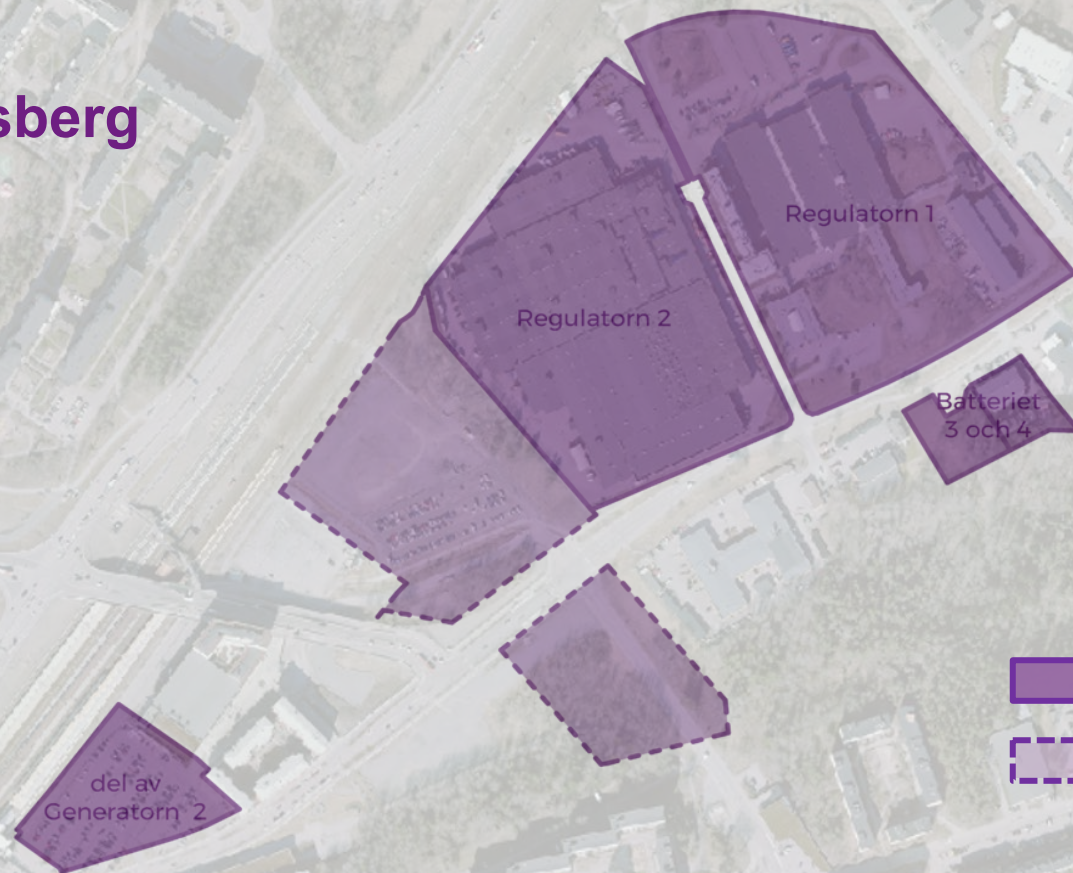
Stage division Haga Norra



Flemingsberg

An aerial photograph of the Flemingsberg industrial area in Sweden. The image shows a large complex of industrial buildings with dark roofs and red brick walls, surrounded by parking lots filled with cars and trucks. To the right, a multi-lane highway runs parallel to several railway tracks. The background features residential apartment buildings and dense green forests. The text 'Flemingsberg' is overlaid in the top left corner.

Flemingsberg





Local development plans gained legal approval during the quarter

- 27 000 sqm (gross floor area) Flemingsberg
- 44 000 sqm residential area in Huvudsta



Sustainability in everything we do

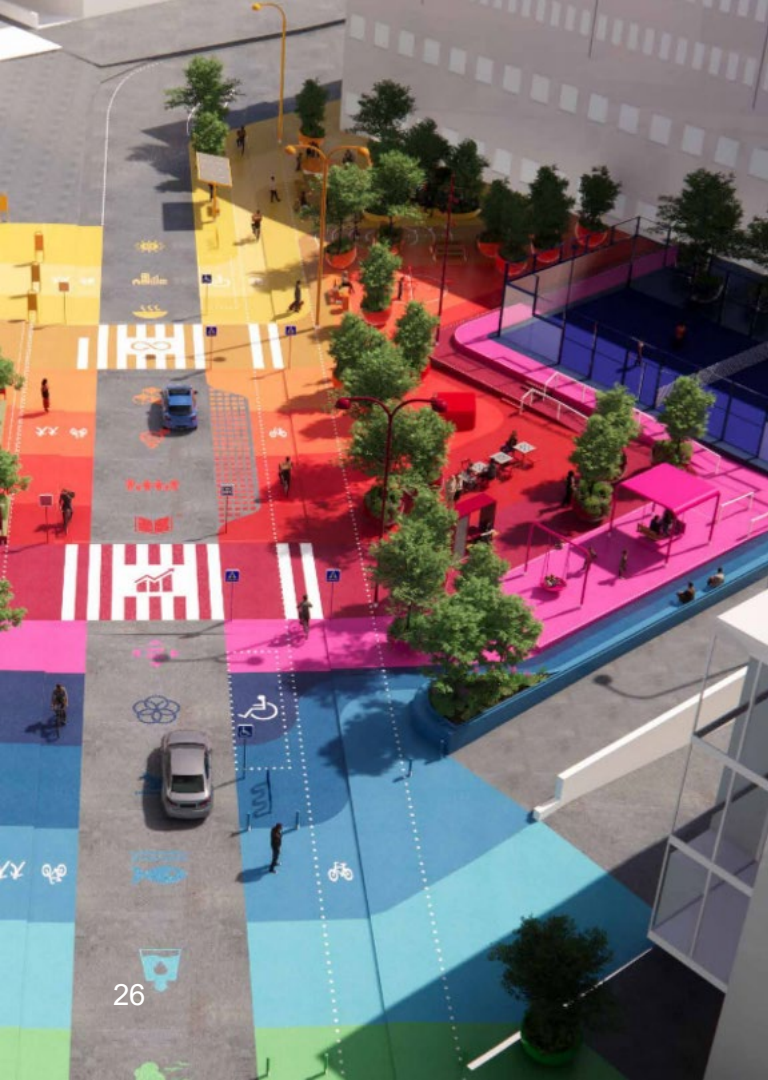
- 100% Green financing
- 100% Sustainability certified management portfolio
- 100% Sustainability certified projects
- 100% Review of strategic suppliers
- 96% Renewable energy
- 79% Green leases of total area

Sustainability - clear targets

- Energy performance average
max. 77 kWh/sqm*
 - Outcome 2020, 74 kWh/sqm*
 - Outcome Q2 2021, 43
kWh/sqm
- Carbon neutral management
portfolio 2030 (Scope 1 & 2)
- Indirect emissions (Scope 3)
to be halved by 2030.

*Atemp





Collaboration to create safe and attractive areas

Focus on education, spare time, health and work

- Help with homework in Flemingsberg
- Talent Academy in Huddinge
- Support to Changer's Hub in Huddinge
- Support to Stadsmissionen
- Street Gallery
- Support to local sports clubs
- Pep Parks
- Support to Samverkan Huddinge



Questions

Our vision

The success factor for a new era