

Fabege's Interim Report

Jan-Sep 2021

Stefan Dahlbo, CEO

Åsa Bergström, CFO

Condensed income statement

SEKm	Jan-Jun 2021	Jan-Jun 2020
Rental income	2,143	2,103
Property expenses	-527	-519
Net operating surplus	1,616	1,584
Central administration	-85	-69
Net financial items	-365	-346
Ground rents	-26	-22
Share in profits of associated companies	-20	-43
Profit from property management	1,119	1,104
Realized changes in value, properties	56	25
Unrealized changes in value, properties	2,420	1,916
Changes in value, derivatives and equities	394	-317
Profit before tax	3,989	2,728
Tax	-847	-595
Profit for the period	3,142	2,133



- Rental growth in identical portfolio: approx. 1%
- Surplus ratio: 75% (75)
- Value growth 3.2%
- Earnings per share: SEK 9.72 (6.50)

Key ratios, Jan - Sep 2021

	2021 Jan-Sep	2020 Jan-Sep	Target
Equity per share, SEK	134	124	
EPRA NRV, SEK per share	164	153	
Total return properties, %	5.3	4.8	
Surplus ratio, %	75	75	75
Equity/assets ratio , %	51	52	>35
Loan-to-value ratio, %	35	35	<50
Debt ratio, multiple	14.0	12.9	<13
Interest coverage ratio, multiple	4.1	4.3	>2.2



Financing

Key performance indicators 30/09/2021

- Total facilities: SEK 37.4bn
- Total loans: SEK 28.4bn
 - of which bonds: SEK 11.3bn
 - of which commercial paper: SEK 2.1bn
- 100% green financing
- Undrawn: SEK 4.0bn
- Fixed-term maturity: 4.8 years
- Fixed-rate period: 3.8 years



Activities during third quarter

- Refinancing of bank loans according to
- Net bond issues: SEK 357m
- Fixed rate: SEK 1.2bn
- Bond issue SEK 1bn in October



Rental market

- Stable rent levels, heightened activity with more enquiries, viewings and contract completions
- Continued uncertainty about impact on future office space needs and office design
- Jan-Sep 2021
 - Net lettings: SEK 130m (4)
 - 101 new leases (73), rental value SEK 231m (115)
 - Lease terminations: SEK 101m (111)
 - Renegotiations: +11% (19)
- Jul-Sep 2021
 - Net lettings: SEK 74m (-16)





Alfa Laval moves to Flemingsberg

- Approx. 17,000 sqm with option to increase
- 22-year lease term
- Annual rental value: approx. SEK 45m
- Estimated investment: SEK 670m, excluding land acquisition
- Moving in Q2, 2025





Occupancy

- Occupancy rate 90%
- Reduction refers to areas in Nationalarenan 8 (formerly Telia) that are already leased with access during the spring
- Management portfolio 90%
- No structural vacancies in the portfolio
- Upcoming vacancy in Nöten 4, Solna Strand





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%



Project portfolio 30/09/21

- Area: 58,600 sqm
- Occupancy rate: 85%
- Investments: SEK1,458m
 - Of which SEK 1,00m in the project portfolio
 - Of which SEK 358m in the management portfolio
- Unrealized value change: SEK 772m



Commercial building rights

- Approx. 785,000
- Locations:
 - Solna 50%
 - Flemingsberg 34%
 - Hammarby Sjöstad 9%
 - Inner city 4%
 - Other 3%



Haga Norra stage 2 & 3

- Stage 2

- Block 1, 4 and 5
- 28,000 sqm office and 360 apartments
- Apartments preliminary moved in, Q4 2024

- Stage 3

- Block 2 and 3
- 20,000 sqm office and 160 apartments
- Appartments preliminary moved in, Q4 2026





New transportation hub

Block 1
28,000 sqm

Block 5
240 apartments

Block 4
120 apartments

Block 2
20,000 sqm

Block 3
160 apartments





Acquisition of SHH Bostad

- Purchase consideration: SEK 880m
- Bringing skills, experience and projects in housing development
- Our strategy, focusing on Stockholm, will also be the basis for the residential and local authority property businesses.
- SHH will continue as a subsidiary, with its own employees and management





SHH Bostad

- Completed over 40 real estate projects, equivalent to approx. 2,100 homes.
- 11 ongoing projects in production, equivalent to approx. 570 homes (48,000 sqm Gross Floor Area), incl. an old people's home (Huddinge).
 - The sales ratio in ongoing projects is 96%
- SHH works with affordable housing and thereby reaches a large customer group – lower risk exposure.



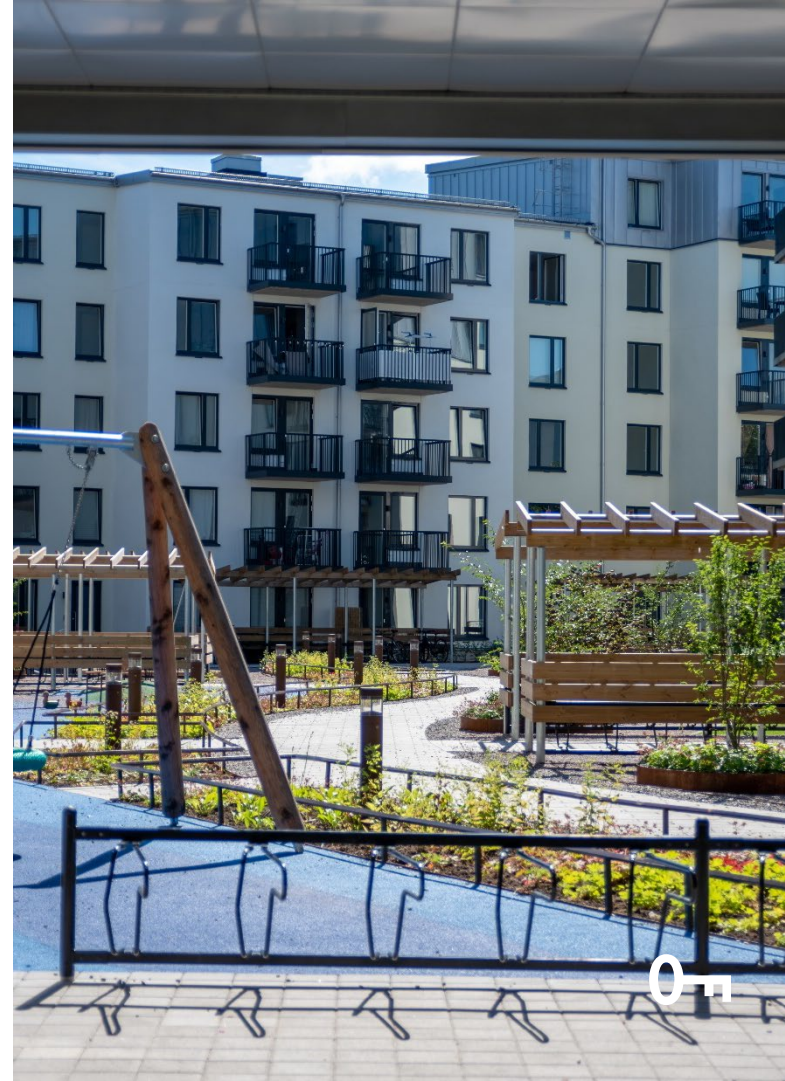


Residential building rights Fabege

Area	Gross floor, sqm	Legal binding, %	Booked value, SEK/sqm
Inner city	1,000	0	0
Solna	267,000	50	9,900
Flemingsberg	272,000	0	5,500
Summa	540,000	25	7,600

Fabege and SHH's portfolios

- The portfolios (housing development rights) are a good match in terms of both implementation time and geographically
- Around two-thirds of SHH's future development rights are located within Greater Stockholm
- The majority of Fabege's housing development rights are slightly further ahead than SHH's in terms of planned production start
- Together, our development rights are approx. 708,000 sqm represent around homes 10,000





Sustainability in everything we do

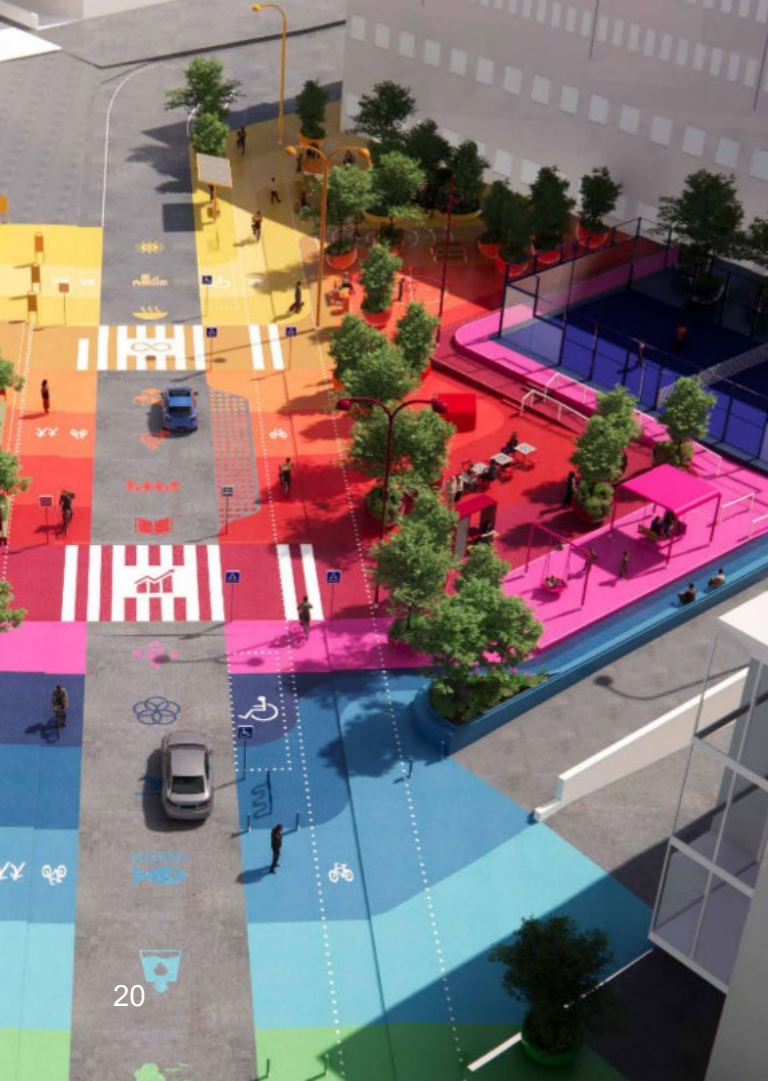
- 100% Green financing
- 100% Sustainability certified management portfolio
- 100% Sustainability certified projects
- 100% Review of strategic suppliers
- 96% Renewable energy
- 79% Green leases of total area
- GRESB 2021, 93 points

Sustainability - clear targets

- Energy performance average max. 77 kWh/sqm*
 - Outcome 2020, 74 kWh/sqm*
 - Outcome Q3 2021, 55 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