



# Fabege's interim report Jan-Mar 2020

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Åsa Bergström, CFO*

Fabege

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CREATING THE RIGHT CONDITIONS

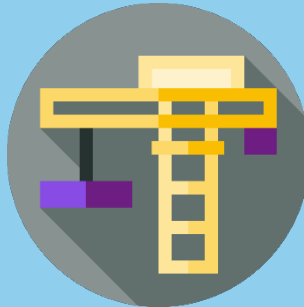
# Q1 2020

## Strong result despite turbulent period



NET LETTING

SEK 15m



VALUE GROWTH

SEK 1,854m



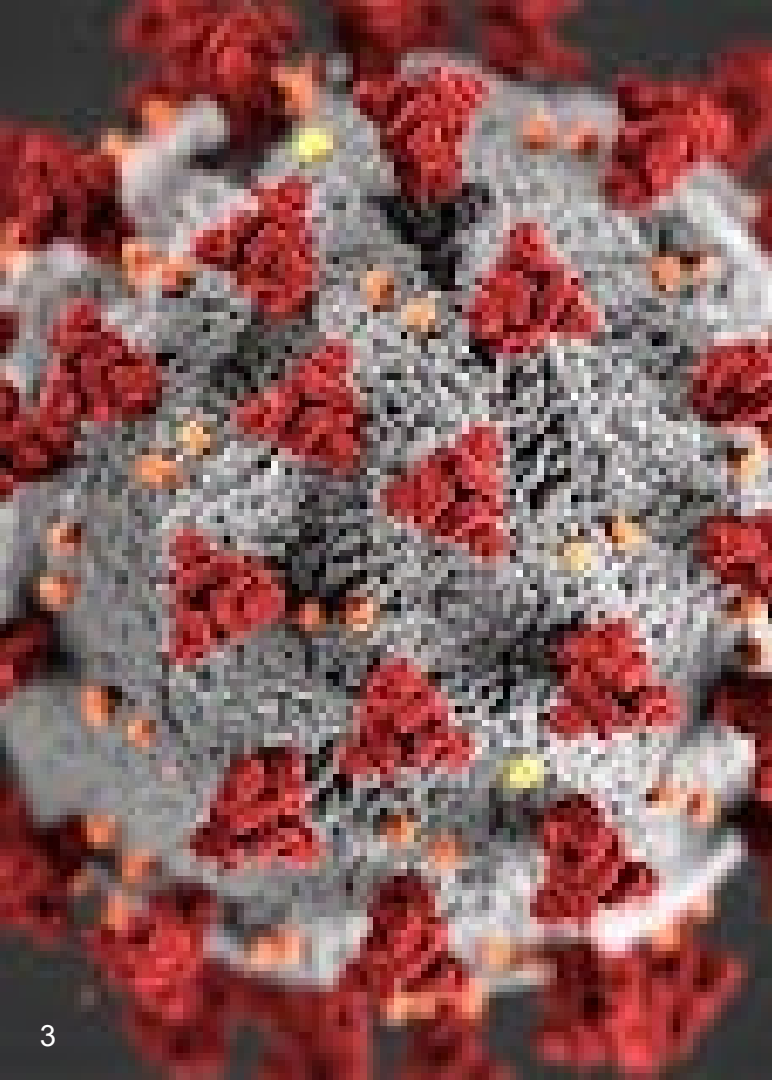
RETURN ON EQUITY

+15.5%



EPRA NAV/SHARE

SEK 152 (+7)



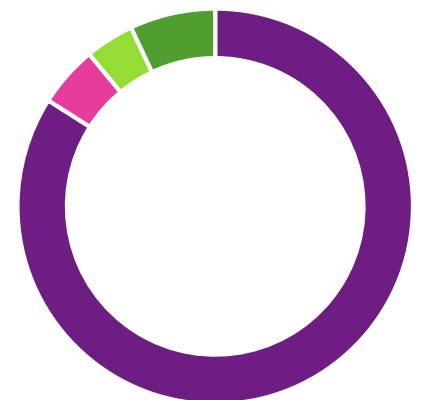
## COVID-19 IMPACT FABEGE

- ▶ Rental income Q2
  - Granted deferral SEK 84m
    - of which, SEK 37m related to changeover to monthly rents
    - Of which SEK 47m related to deferral of repayments
  - This means that just over 93% of the rent due was paid or is expected to be paid during the present quarter
- ▶ Projects are progressing according to plan
- ▶ Valuations – revised at the end of March but were still positive in the quarter
- ▶ Stable financial situation



# STABLE CUSTOMERS

Rental value per category



- Office, 84%
- Retail, 5%
- Industry/warehouse, 4%
- Others, 7%

- ▶ More than 900 customers
- ▶ 25 largest customers 48% of contracted rent

<u>Largest customers</u>	<u>Runs until year</u>
• SEB	2037
• Telia Company	2031
• ICA Fastigheter Sverige	2030
• The Swedish Tax Agency	2022
• Swedbank	2029
• The Swedish Migration Board	2028
• Carnegie Investment Bank	2022
• Swedish National Agency for Education	2024
• Telenor	2028
• Svea Ekonomi	2023







## MEASURES DUE TO COVID-19

- ▶ Daily status meetings in crisis management team and Group management
- ▶ Employee wellbeing – support for homeworking, socialisation, working out
- ▶ Customer wellbeing – close dialogue
- ▶ Support to the community
  - More than 5,000 food boxes to the City Mission and hospitals in Stockholm
  - Materials to the field hospital in Älvsjö
  - Financial support to the Stockholm City Mission.

# CONDENSED INCOME STATEMENT

SEKm	2020-03-31	2019-03-31
Rental income	711	718
Property expenses	-191	-209
<b>Net operating surplus</b>	<b>520</b>	<b>509</b>
Central administration	-23	-21
Net financial items	-111	-108
Ground rents	-6	-7
Share in profits of associated companies	-11	-7
<b>Profit from property management</b>	<b>369</b>	<b>366</b>
Realised changes in value, properties	25	0
Unrealised changes in value, properties	1,829	1,324
Changes in value, derivatives and equities	-244	-241
<b>Profit before tax</b>	<b>1,979</b>	<b>1,449</b>
Tax	-405	-301
<b>PROFIT FOR THE PERIOD</b>	<b>1,574</b>	<b>1,148</b>

- Positive rental growth in identical portfolio: approx. 6%
- Surplus ratio: 73% (71)
- Accumulated value growth: 2,5%
- Earnings per share: SEK 4:78 (3:47)

## KEY RATIOS 2020-03-31

	2020-03-31	2009-03-13	Targets
Equity per share, SEK	126	109	
EPRA NAV, SEK per share	152	130	
Total return properties, %	3.4	2.7	
Surplus ratio, %	73	71	75
Equity/assets ratio , %	55	50	>35
Loan-to-value ratio, %	32	38	<50
Debt ratio, multiple	11.4	14.2	<13
Interest coverage ratio, multiple	4.4	4.5	>2.2

**High equity /  
assets ratio  
and low LTV**



# FINANCING

## Key ratios 31 March 2020

- ▶ Total facilities SEK 34.6bn
- ▶ Total loans SEK 23.5bn
  - Of which bonds SEK 8.5bn
  - No outstanding commercial paper
- ▶ 90 per cent of total loans are now green financing
- ▶ Unutilised SEK 6.1bn
- ▶ Capital tie-up period 6.0 years
- ▶ Fixed-rate term 5.1 years

## Activities during the year to date

- Amortised commercial paper and bond maturities after vacation of Trängskåren in January
- Extended a bank facility for 4 years
- Converted several facilities to green loans
- Extended fixed-rate term through SEK 400m in new 10-year interest rate swaps
- During April, we issued commercial paper of SEK 1,125m in total





# ALWAYS SUSTAINABLE

## ► Some key ratios

- 90% green financing
- 81% of total area certified
- 77% green leases
- Average energy consumption 26 kWh/sqm Atemp
- Friends Arena BRREAM-certified, rating very good
- Sustainability programme for Flemingsbergsdalen completed
- Started calculation of carbon footprint, scope 3

Farao 8 upgraded to BREEAM-  
in-use, rating excellent



# PROPERTY VALUE 2020-03-31, SEK 73,0BN

**Stockholm inner city**  
**Value: SEK 29.0 bn**

**Arenastaden**  
**Value: SEK 20.3 bn**

**Solna Business Park**  
**Value: SEK 8.8 bn**

**Hammarby Sjöstad**  
**Value: SEK 7.0 bn**

**Other areas**  
**Value: SEK 7.9 bn**





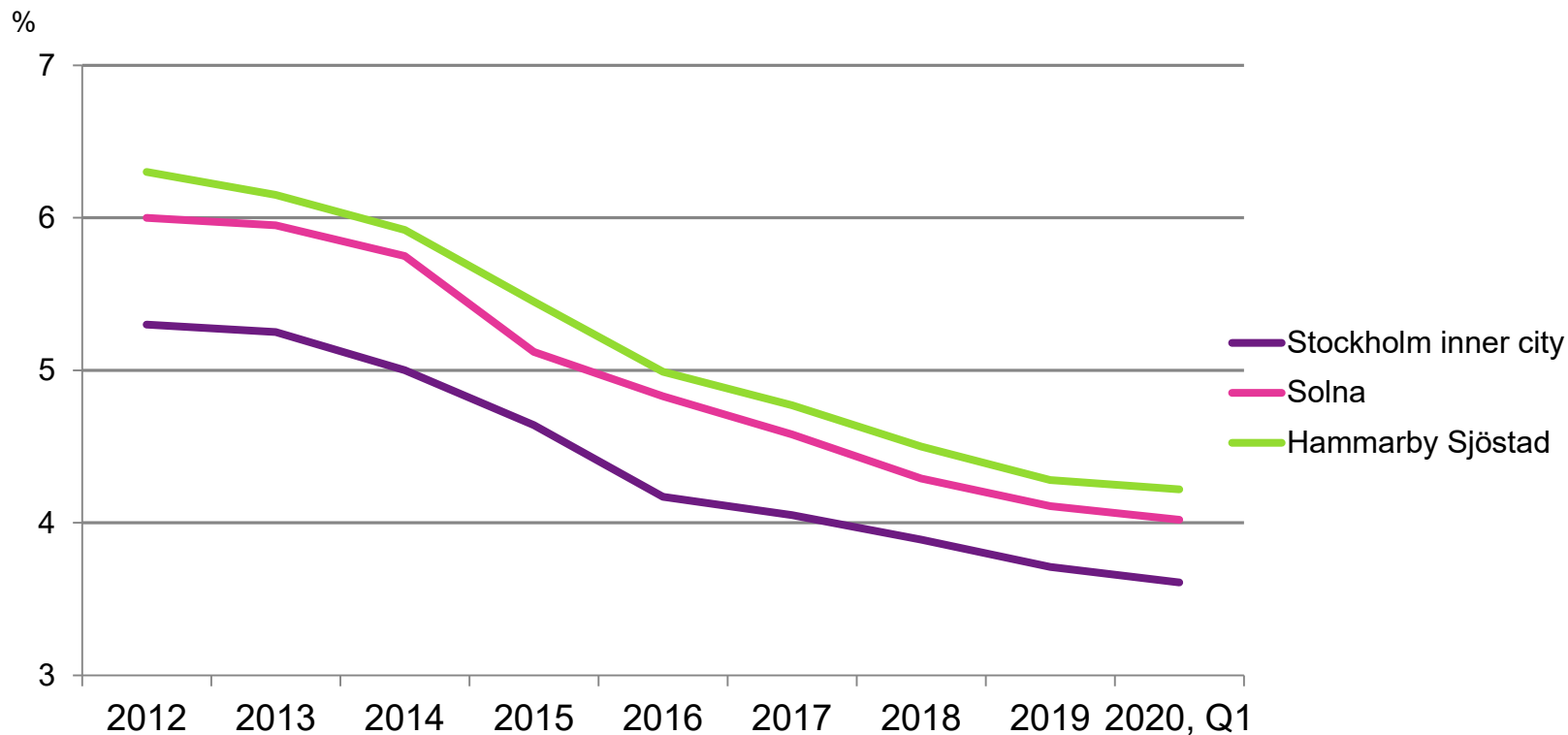


## RENTAL MARKET

- ▶ Continued strong market with rising rents
- ▶ Net letting SEK + 15m
  - The largest letting related to Operan/Dramaten in Flemingsberg
  - The largest termination related to DLA on Kungsgatan
- ▶ Renegotiations +11%



# AVERAGE YIELD IN OUR PORTFOLIO 2012 – 2020, Q1



# PROJECT PORTFOLIO, 2020-03-31



- ▶ Occupancy rate: 89 per cent
- ▶ Area; 103,000 sqm
- ▶ Investment: SEK 457m
  - Of wich SEK 344m in project portfolio
  - Of wich SEK 113m in managment portfolio
- ▶ Value growth in project portfolio SEK 142m





Arenastaden

**We are just halfway.**



Haga Norra

**Vision: Stockholm's most pleasant city district.**

TMRW.SE

Vision



Solna Business Park

**The large transformation.**

14

BIG

Vision



Flemingsberg

**The whole world in one neighbourhood.**

BIG

Vision





# Questions

