



# Fabege investor presentation

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SKAPA RÄTT FÖRUTSÄTTNINGAR





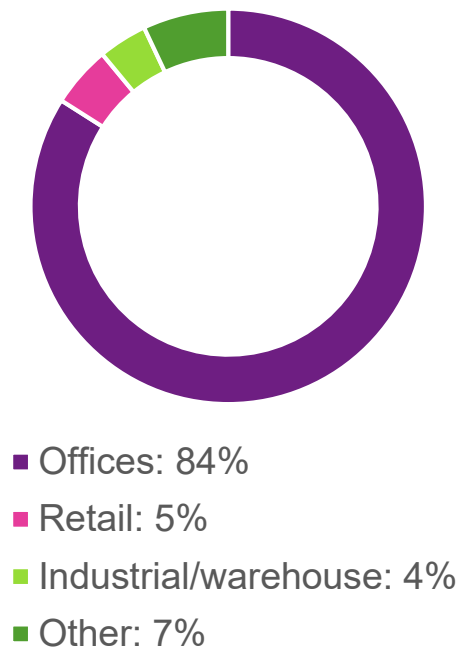
## RENTAL MARKET

- ▶ Greater uncertainty on the market during coronavirus crisis
- ▶ Continued positive renegotiations
- ▶ Continued new letting activity but the process up to signing is taking longer
- ▶ Companies remain active in seeking new premises
  - We are in discussions and carrying out viewings
- ▶ Key performance indicators Q1
  - Net lettings Q1 SEK +15m
  - Renegotiations +11%



# STABLE CUSTOMERS

Rental value by category



- ▶ Over 900 customers
- ▶ 25 biggest customers 48% of contracted rent

<u>Biggest customers</u>	<u>Year of expiry</u>
• SEB	2037
• Telia Company	2031
• ICA Fastigheter Sverige	2030
• Swedish Tax Agency	2022
• Swedbank	2029
• Migrationsverket	2028
• Carnegie Investment Bank	2022
• Statens Skolverk	2024
• Telenor	2028
• Svea Ekonomi	2023



# PROJECT PORTFOLIO

Fräsaren 12



Stigbygeln 2



Poolen 1



Nationalarenan 3



Hagalund 2:2



## ► Project portfolio 31/03/2020

- Occupancy rate: 89%
- Lettable area: 103,000 sqm
- Investments Q1 2020: SEK 457m
  - of which SEK 344m in project portfolio
  - of which SEK 113m in investment property portfolio
- Recognised value growth, projects: SEK 142m

## ► Projects progressing as planned

## ► Schedules and moving-in dates appear to still stand



# TRANSACTION MARKET

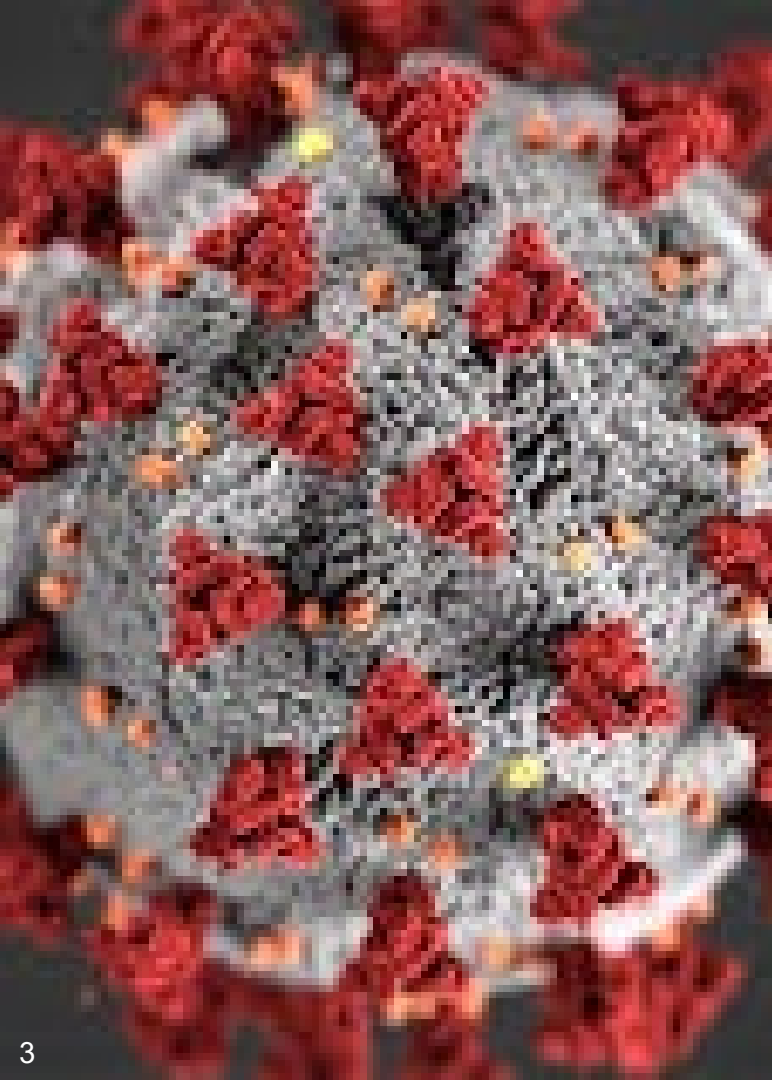
## ► Hesitant market

- No major transactions have taken place on the Stockholm market since February – a few ongoing transactions have not been completed
- Uncertainty surrounding yield requirement trend
- Attractive locations and quality will endure

## ► No stressed sellers

- Fabege acquired Påsen 1 in Hammarby Sjöstad for SEK 423m with handover scheduled for 1 June – adds development potential





## IMPACT OF COVID-19 ON FABEGE

- ▶ Rental income
  - Fabege's cost for state rental support approx. SEK 20m
  - Granted reprieve with deferred repayment: SEK xxm
- ▶ Projects progressing as planned
- ▶ Valuations – revised down at end of March but remained positive in Q1
- ▶ Stable financial situation





# ALWAYS SUSTAINABLE

- ▶ Some key performance indicators
  - 90% green financing
  - 81% of total area certified
  - 77% green leases
  - Average energy consumption 26 kWh/sqm Atemp
  - Friends Arena achieved BREEAM certification, Very Good
  - Sustainability programme for Flemingsbergsdalen completed
  - Initiated calculation of carbon footprint, Scope 3

Farao 8 has been upgraded to  
BREEAM-in-use, Excellent





# FINANCIAL MARKET

- ▶ Lockdown on capital market in March
- ▶ Commercial paper market opened up since April with support of Riksbanken
- ▶ Activity on bond market increasing daily
- ▶ Financing available but at higher levels than pre-corona





# FINANCING

## Key performance indicators, 31/03/2020

- ▶ Total facilities: SEK 34.6bn
- ▶ Total loans: SEK 23.5bn
  - Of which bonds: SEK 8.5bn
  - No outstanding commercial paper
- ▶ 90% of total loans now green financing
- ▶ Undrawn: SEK 6.1bn
- ▶ Fixed-term maturity: 6.0 years
- ▶ Fixed-rate period: 5.1 years

## Activities during second quarter

- Issued approx. SEK 2.1bn commercial paper
- Issued bonds via SFF, total SEK xxm
- Extended back-up facility for commercial paper (extended by six months at a time to 18 months)
- No additional bank facilities up for renegotiation until Q4 2021
- Positive view of Fabege from banks and Moody's
- Stable financial position



# STABLE FINANCIAL POSITION

	31/03/2020	31/03/2019	Target
Equity – SEK per share	126	109	
EPRA NAV – SEK per share	152	130	
Total return on 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



A photograph of a forest with sunlight filtering through the trees, creating a warm, golden glow. A semi-transparent green rectangular box is centered over the image, containing the word "Questions" in white text.

# Questions



# CONDENSED INCOME STATEMENT

SEKM	31/03/2020	31/03/2019
Rental income	711	718
Property expenses	-191	-209
<b>Net operating income</b>	<b>520</b>	<b>509</b>
Central administration	-23	-21
Net financial items	-111	-108
Ground rent	-6	-7
Share in profit/loss of associated companies	-11	-7
<b>Profit/loss 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 shares	-244	-241
<b>Profit/loss before tax</b>	<b>1,979</b>	<b>1,449</b>
Tax	-405	-301
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>1,574</b>	<b>1,148</b>

- Rental growth in identical portfolio approx. 6%
- Surplus ratio: 73% (71)
- Accumulated value growth 2.5%
- Earnings per share: SEK 4.78 (3.47)