



FABEGE INTERIM REPORT  
JANUARY–SEPTEMBER 2024

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# FABEGE IN BRIEF

- Arenastaden / Haga Norra
- Solna Business Park
- Stockholm inner city
- Hammarby Sjöstad

○ Flemingsberg



**100**  
PROPERTIES

**SEK 78.2 bn**  
PROPERTY VALUE

**A modern portfolio  
with focus on Stockholm**

**1.3 m sqm**  
LETTABLE AREA

**SEK 4.1 bn**  
RENTAL VALUE

# Summary Jun-Sep 2024

- Rental income amounted to SEK 847m (854)
- Gross profit amounted to SEK 644m (654)
- Surplus ratio 77 per cent (76)
- Value changes in the property portfolio SEK 224m (-1,591)
- Profit/loss after tax 14 (-992)
- Net letting SEK -11m (-25)



# Condensed income statement

| SEKm                                       | 2024 Jan-Sep  | 2023 Jan-Sep  |
|--|---------------|---------------|
| Rental income                              | 2,577         | 2,539         |
| Sales residential projects                 | 230           | 486           |
| Other income                               | -             | 11            |
| <b>Net sales</b>                           | <b>2,807</b>  | <b>3,036</b>  |
| Property expenses                          | -653          | -650          |
| Residential projects expenses              | -247          | -463          |
| <b>Gross profit</b>                        | <b>-1,907</b> | <b>1,923</b>  |
| Central administration                     | -80           | -81           |
| Net interest expense                       | -727          | -725          |
| Ground rents                               | -31           | -35           |
| Share in profits of associated companies   | -57           | 31            |
| <b>Profit from property management</b>     | <b>1,012</b>  | <b>1,113</b>  |
| Impairment development properties          | -34           | -             |
| Realized changes in value, properties      | 4             | 0             |
| Unrealized changes in value, properties    | -1,236        | -5,415        |
| Changes in value, derivatives and equities | -444          | -157          |
| <b>Profit/loss before tax</b>              | <b>-698</b>   | <b>-4,419</b> |
| Tax  | 30            | 829           |
| <b>Profit/loss for the period</b>          | <b>-668</b>   | <b>-3,527</b> |



- Rental growth in identical portfolio: approx. 5% (12)
- Surplus ratio: 75% (75)
- Value changes SEK -1,232, equal to -1.6%
- Earnings per share: SEK - 2.12 (-11.21)



## PROPERTY VALUATION Q3, 2024:

Property value

**SEK 78.2bn**

of which management portfolio

**SEK 64.1bn**

|                          | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 |
|--------------------------|---------|---------|---------|---------|
| Externally valued, share | 45%     | 53%     | 70%     | 70%     |
| Value change, SEKm       | 224     | -80     | -1,381  | -2,415  |
| Yield                    | 4.54%   | 4.54%   | 4.51%   | 4.43%   |

### Unrealized changes in value (SEKm)

Q1 2007 to Q2 2024



## Key ratios, 30 September 2024

|                                   | 2024<br>Jan-Sep | 2023<br>Jan-Sep | Target |
|-----------------------------------|-----------------|-----------------|--------|
| Equity per share, SEK             | 121             | 131             |        |
| EPRA NRV, SEK per share           | 147             | 157             |        |
| Total return properties, %        | 0.9             | -4.0            |        |
| Surplus ratio, %                  | 75              | 75              | 75     |
| Equity/assets ratio , %           | 46              | 47              | >35    |
| Loan-to-value ratio, %            | 43              | 42              | <50    |
| Debt ratio, multiple              | 13.9            | 14.5            | <13    |
| Interest coverage ratio, multiple | 2.5             | 2.5             | >2.2   |



# Financing

## Overview

|                            |  |
|----------------------------|--|
| Total debt                 | SEK 33.7bn                                 |
| Undrawn credit facilities, | SEK 8.5bn*                                 |
| Loan-to-value              | 43%  |
| Sustainability             | 99% Green financing                        |
| Fixed-term maturity        | 3.4 years                                  |
| Fixed-interest term        | 1.8 years<br>(3.1 years cancellable swaps) |
| Interest coverage ratio    | 2.5  |
| Rating                     | Baa2 negative outlook (Moody's)            |

\*Of which SEK 2bn back-up for CP

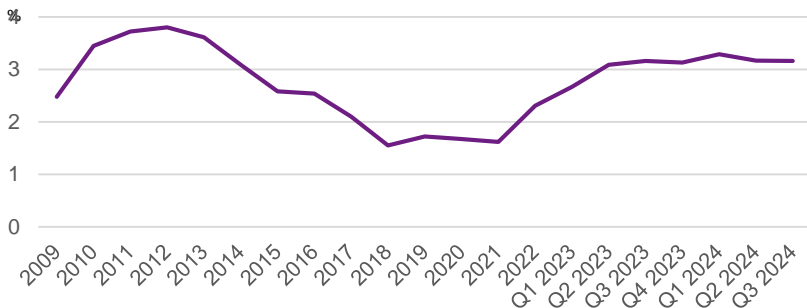
## Capital market

- Very good access to financing – both bank and capital market
- Lower margins
- Falling market rates
- High activity on the capital market with issues of both CP and bonds
- We have increased the share of capital market financing
- Moodys´ s affirms Baa2, negative outlook (June)



# Fixed-rate period 30/09/2024

## Average interest rate



- Approx 54 percent of the portfolio fixed (excl. derivatives that can be closed)
- Average interest rate fixation period 1.8 years (3.1 years adjusted closeable swaps)
- Maturities have been partially replaced by new straight interest rate swaps
- Fixed interest derivatives between 0.11% and 1.28%
- Cancellable derivatives fixed interest between 1.82% and 2.50%
- Average interest cost 3.16%

| Maturity     | Swaps         | Callable swaps | FXD MTN & Loan | Total         |
|--------------|---------------|----------------|----------------|---------------|
| 2024         | 450           | 7,000          | 285            | 7,735         |
| 2025         | 2,200         |                | 400            | 2,600         |
| 2026         | 2,700         |                | 400            | 3,100         |
| 2027         | 2,800         |                | 450            | 3,250         |
| 2028         | 2,300         |                | 976            | 3,276         |
| 2029         | 2,200         |                | 200            | 2,400         |
| 2030         | 1,400         |                |                | 1,400         |
| 2031         | 1,100         |                |                | 1,100         |
| 2032         | 500           |                |                | 500           |
| <b>Total</b> | <b>15,650</b> | <b>7,000</b>   | <b>2,710</b>   | <b>25,360</b> |

\* The callable swaps have a term of 10 years with an option for the bank to close the swaps in 2024.



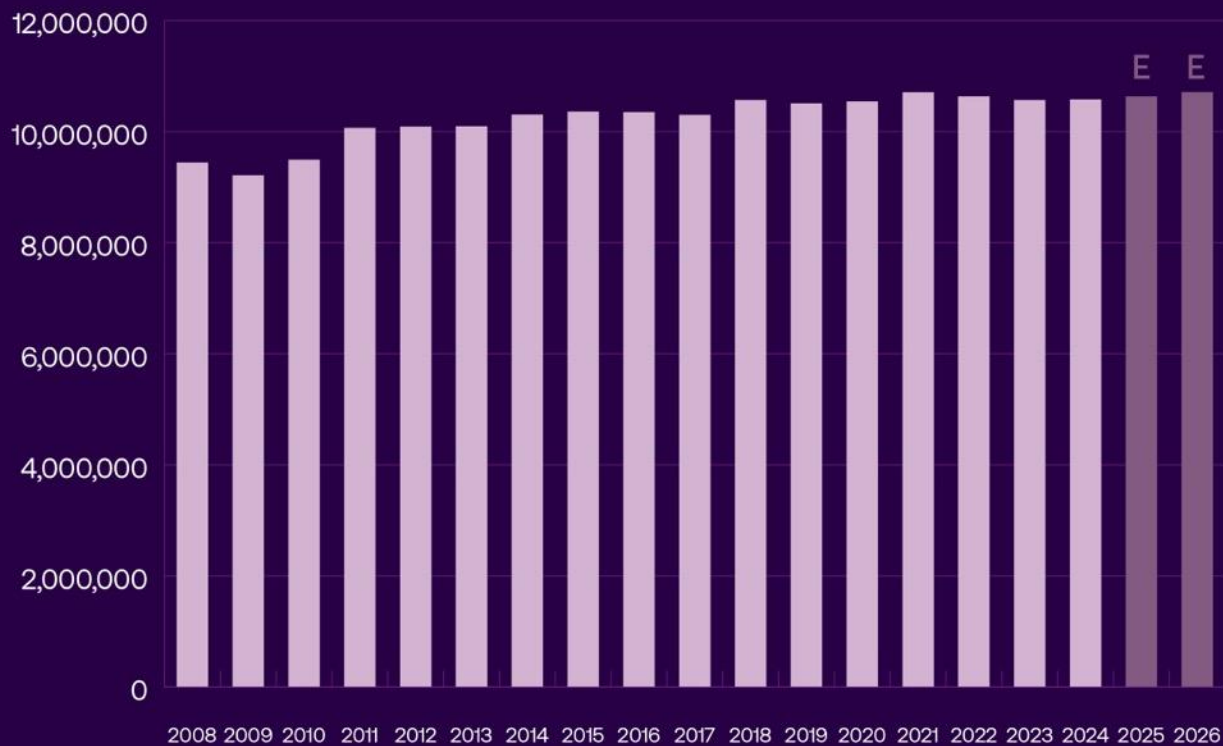


# Transactions on our market Q3 2024

- Stigbygeln 5, (5:e Hötorgsskrapan) Office, CBD
  - 16,000 sqm, seller AMF, buyer Wallenstam, price approx. SEK 2.8 bn
- Mentorn 1, Office, CBD
  - 18,000 sqm, seller AMF, buyer KPA Pension, price approx. SEK 3.0 bn
- Hilton 4, Office, Frösunda (Solna)
  - 9,000 sqm, seller Artmax, buyer Mengus, price approx. SEK 500m
- Åkem 17, Hotel, Stockholm inner city
  - 23,000 sqm, 523 rooms, seller Aspelin Ramm Fastigheter, buyer NREP, price unknown



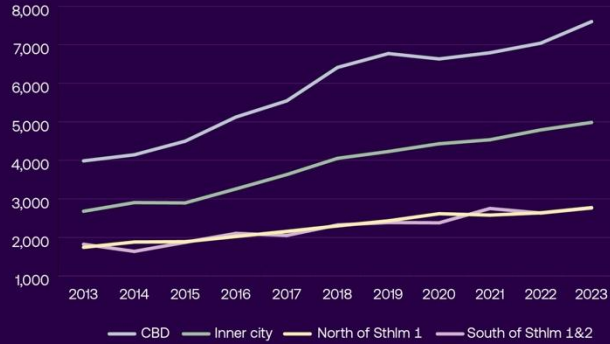
## Total office space Stockholm (sqm)\*



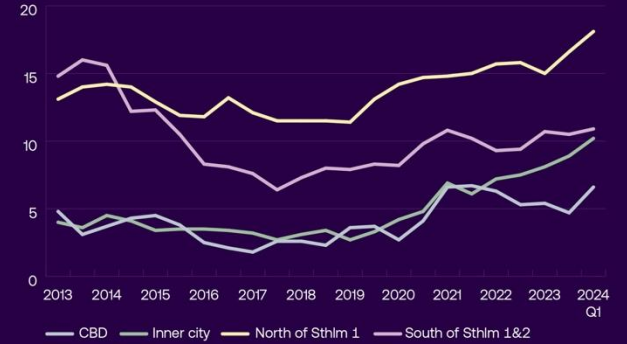
\* Stockholm, innercity,  
North of Sthlm 1+2,  
South of Sthlm 1+2  
Source: CityMark

# Stockholm office market

Rental development last ten years, SEK



Vacancy rate of total area (%)



Number of employees in office-intensive industries Stockholm, Solna, Sundbyberg, Nacka



New office space all of Stockholm (sqm net)



# Stable customers with long agreements

- Approx 700 customers
- 25 largest customers represents 42% of rental value
- Average contract length 4.7 years
- Share of total rent



■ Office, 83%      ■ Retail, 4%  
■ Industry/logistics, 4%      ■ Other, 9%

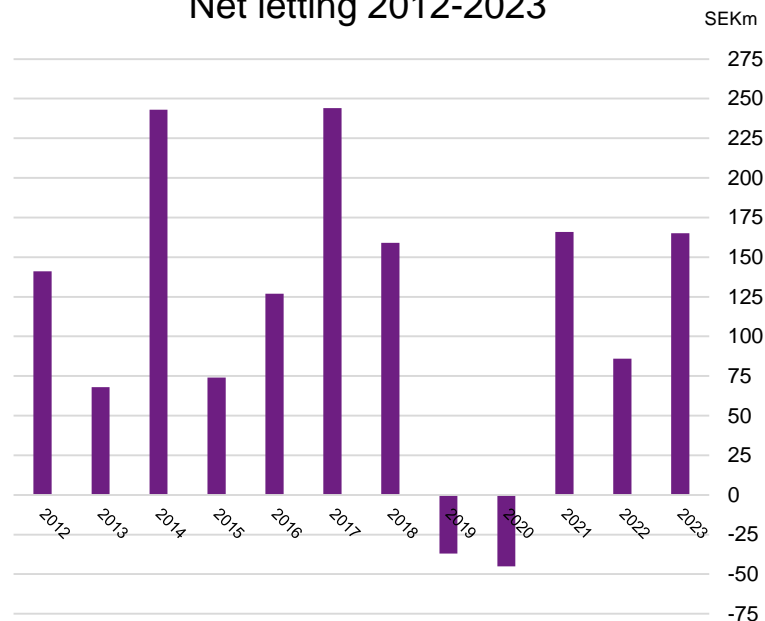
| Customer                      | Share of total rent | Year of expiry |
|-------------------------------|---------------------|----------------|
| SEB                           | 6.8%                | 2037           |
| Convendum                     | 3.7%                | 2034           |
| ICA Fastigheter Sverige       | 3.3%                | 2031           |
| Telia Company AB              | 2.9%                | 2030           |
| Carnegie Investment Bank      | 2.1%                | 2027           |
| Bilia AB                      | 1.8%                | 2041           |
| Svea Bank AB                  | 1.7%                | 2029           |
| Tietoevry AB                  | 1.3%                | 2029           |
| Telenor Sverige AB            | 1.3%                | 2025           |
| The North Alliance Sverige AB | 1.2%                | 2027           |
| <b>Total</b>                  | <b>26%</b>          |                |



# Net letting jan-sep 2024

| SEKm               | Jan-Sep 2024 | Jan-Sep 2023 |
|--------------------|--------------|--------------|
| New lettings       | 116          | 160          |
| Terminations       | -201         | -163         |
| <b>Net letting</b> | <b>-85</b>   | <b>-3</b>    |

## Net letting 2012-2023



# Renegotiations Jan-Sep 2024

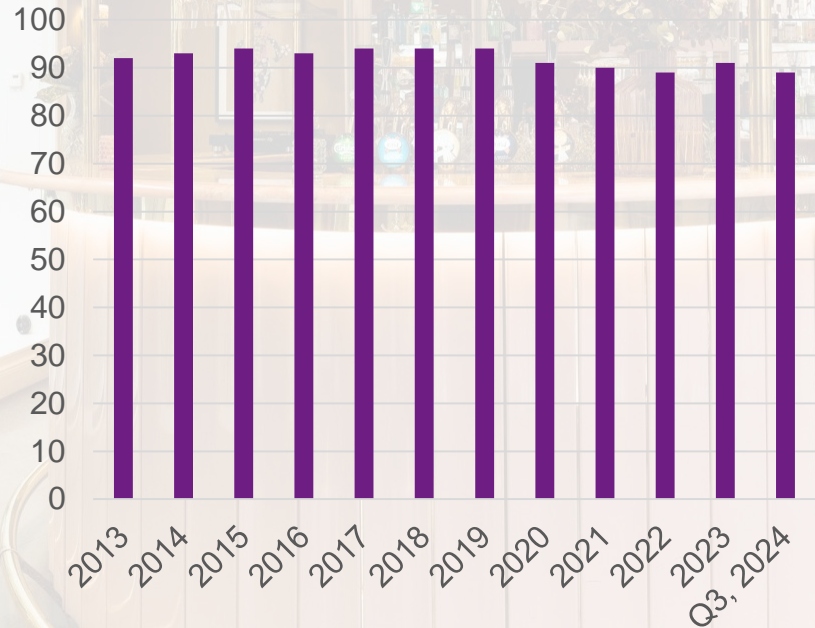
- Renegotiations
  - SEK 199m extended on unchanged terms
  - SEK 62m -2.3%
- SEK 244m has already been renegotiated when the current agreement expires

## Lease maturity structure

| Maturity, year             | No. of leases | Annual rent, SEKm | Percentage, % |
|----------------------------|---------------|-------------------|---------------|
| 2024                       | 251           | 180               | 5%            |
| 2025                       | 428           | 595               | 18%           |
| 2026                       | 305           | 577               | 17%           |
| 2027                       | 212           | 506               | 15%           |
| 2028                       | 96            | 189               | 6%            |
| 2029+                      | 144           | 1,143             | 34%           |
| <b>Commercial</b>          | <b>1,436</b>  | <b>3,190</b>      | <b>95%</b>    |
| Housing leases             | 203           | 23                | 1%            |
| Indoor and outdoor parking | 640           | 138               | 4%            |
| <b>Total</b>               | <b>2,279</b>  | <b>3,351</b>      | <b>100%</b>   |



# Occupancy rate 30/09/2024

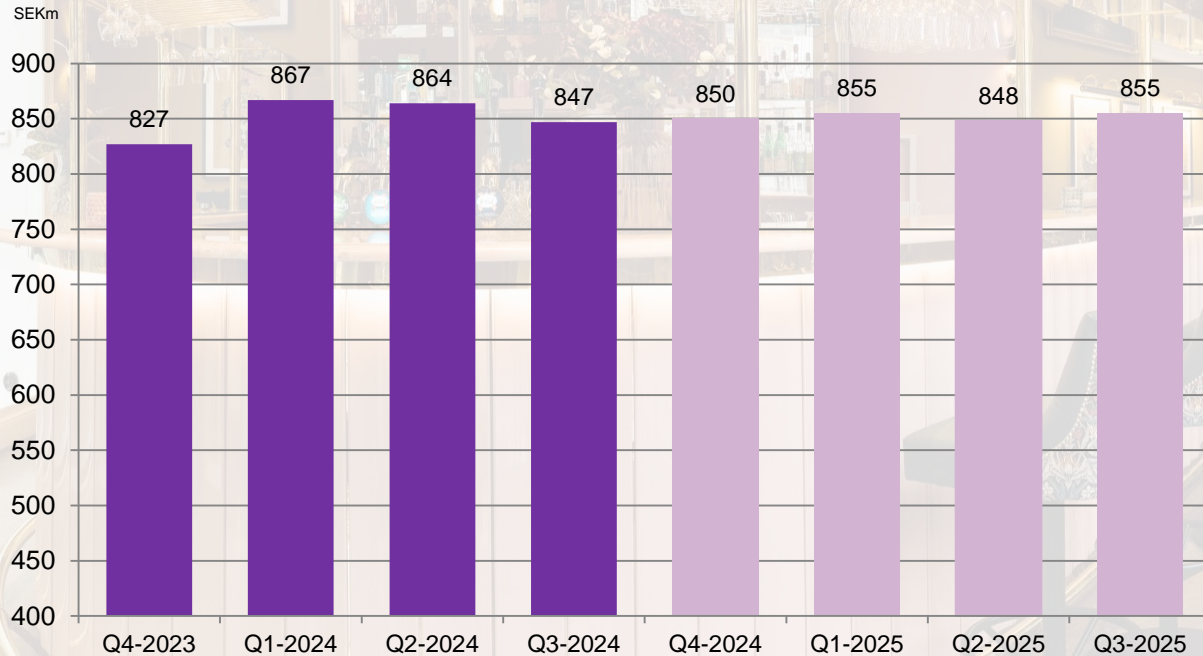


- Development portfolio

- Relates to properties that are partly or fully vacated for project development, lettings are made for short-term contracts without a right of possession
- In total approximately 228,000 sqm, of which 140,000 is let



# Rental development existing lease portfolio 30/09/2024



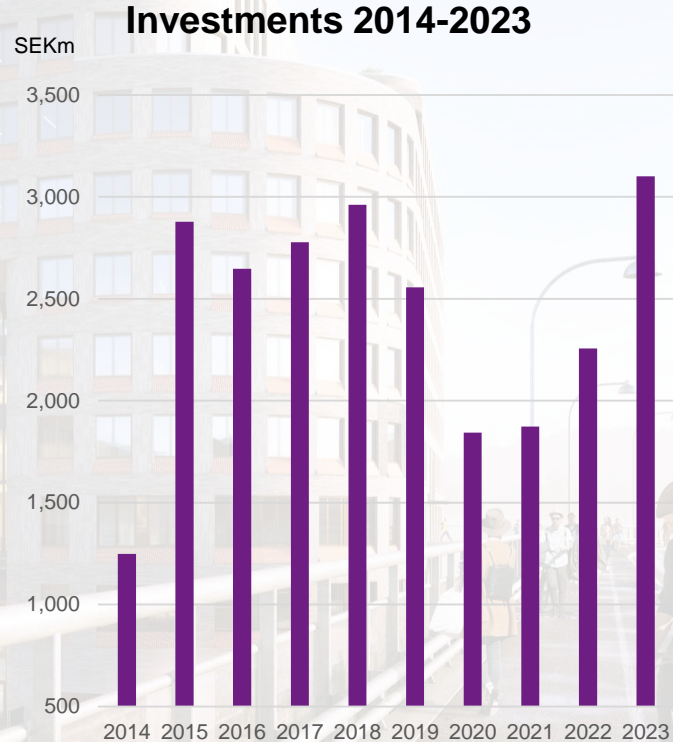
The graph is not a forecast, but instead aims to show the rental trend for the existing lease portfolio on the balance sheet date.





# Investments

| Capex<br>SEKm                   | 2023         | Jan-Sep2024  | 2024E        |
|---------------------------------|--------------|--------------|--------------|
| Project- & improment properties | 2,094        | 1,118        |              |
| Management properties           | 1,007        | 544          |              |
| <b>Total</b>                    | <b>3,101</b> | <b>1,732</b> | <b>2,800</b> |



# Project portfolio 30/06/2024

- Estimated capex: SEK 4,376m
- Of which spent: SEK 2,997m
- Occupancy rate: 85%



| Property listing                                      | Category | Area             | Completed | Lettable area, sqm | Occupancy rate, % space <sup>1</sup> | Rental value <sup>2</sup> | Book value, SEKm | Estimated investment, SEKm | of which spent, SEKm |
|---|----------|------------------|-----------|--------------------|--------------------------------------|---------------------------|------------------|----------------------------|----------------------|
| Ackordet 1  | Offices  | Haga Norra       | Q1-2025   | 27,000             | 66%                                  | 101                       | 1,586            | 1,441                      | 1,107                |
| Påsen 1   | Offices  | Hammarby Sjöstad | Q1-2025   | 11,500             | 47%                                  | 41                        | 758              | 486                        | 365                  |
| Regulatorn 3 (part of)                                | Offices  | Flemingsberg     | Q1-2025   | 5,800              | 83%                                  | 10                        | 698              | 193                        | 165                  |
| Separatorn 1  | Offices  | Flemingsberg     | Q2-2025   | 23,400             | 91%                                  | 59                        | 879              | 1,060                      | 907                  |
| Nöten 4 <sup>3</sup>                                  | Offices  | Solna Strand     | Q3-2025   | 66,000             | 100%                                 | 155                       | 2,081            | 1,196                      | 453                  |
| <b>Total</b>  |          |                  |           | <b>133,700</b>     | <b>85%</b>                           | <b>366</b>                | <b>6,002</b>     | <b>4,376</b>               | <b>2,997</b>         |
| Other land and project properties                     |          |                  |           |                    |                                      |                           | 1,892            |                            |                      |
| Other development properties                          |          |                  |           |                    |                                      |                           | 6,242            |                            |                      |
| <b>Total project, land and development properties</b> |          |                  |           |                    |                                      |                           | <b>14,136</b>    |                            |                      |

<sup>1</sup> Operational occupancy rate at 30 Sep 2024.

<sup>2</sup> Rental value including additions. The annual rent for the largest projects in progress could increase to SEK 366m (fully let) from SEK 8m in annualised current rent at 30 Sep 2024.





## Birger Bostad

- Currently ongoing residential project in Haga Norra
- 288 apartments, of which 78 rental apartments.
- Estimated investment excluding initial value SEK 867m.
- Sales started 9 of 23 sold
- Planning work continues for future projects



# GRESB 2024

- GRESB – Global Real Estate Sustainability Benchmark
- All time high for Fabège
  - Property management result 95/100
  - Project portfolio result 98/100
- We are ranked number 1 in category office in Northern Europe
- We are ranked number 2 in the categories offices in Europe and Listed companies in Europe



## 2024 GRESB Standing Investments Benchmark Report

Fabège | Fabège

### Participation & Score



### GRESB Rating





# Sustainability in everything we do

Our main targets:

- Climate-neutral property management in 2030
- Halved CO2 in project until 2030
- Reduced energy consumption
- Green leases
- Green financing
- Committed employees who are doing well
- High demands on suppliers; code of conduct, sustainability reviews



# Fabege's recycling hub

- Strategic work with recycling
- Well developed recycling strategy
- The hubs storage place for materials that can be reused
- Circularity target: at least 20% recycled material in all projects
- Prerequisite for meeting CO2 targets





# Priorities during 2024

1. Increase the occupancy rate in the management portfolio
2. Cost control
3. Enable future projects
4. Refinance bond maturities and secure access to capital
5. Continue to be at the forefront of ESG







# Questions

Our vision

**The success factor for a new era**

