



SBB's rating outlook revised to positive after the announcement of the intention to acquire Entra

Fitch Ratings ("Fitch") has today upgraded the rating outlook for Samhällsbyggnadsbolaget i Norden AB (publ) ("SBB") to positive from stable, which means that SBB's new rating is BBB- with positive outlook for the company and its unsecured debt. The revision follows SBB's announced intention on 24 November 2020 to submit a voluntary public takeover bid to acquire Entra ASA.

Fitch states in its report that the acquisition would reflect an expected improvement in SBB's business profile, which in combination with continued divestments of non-core properties would justify a higher rating.

Fitch's summary of the revision can be found below.

"The Positive Outlook reflects expected step-change improvements in SBB's business profile resulting from a successful bid. This, combined with deleveraging as SBB continues its disposal of non-core assets, would warrant a higher rating. The resultant business profile would have greater diversification across government-linked tenants mainly in two 'AAA'-rated countries, together with improved profitability and scale. Fitch views the greater stability of the combined group's community service and regulated residential rental income (90%/10%) would allow higher leverage than for commercial office asset peers."

"As stated in connection with the announcement of the intention to acquire Entra, we see opportunities to unleash significant synergies and further strengthen SBB's financial profile and role in the capital market. In line with this, we see how the transaction continues to improve our credit metrics, we are thus well positioned to achieve the goal of BBB + rating in 2021", says Ilija Batljan, CEO and Founder of Samhällsbyggnadsbolaget i Norden AB.

For further information, please contact:

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This information is information that Samhällsbyggnadsbolaget i Norden AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above on 25 November 2020, at 11:15 CET.

Samhällsbyggnadsbolaget i Norden AB (publ) (SBB) is the Nordic region's leading property company in social infrastructure. The Company's strategy is to long term own and manage social infrastructure properties in the Nordics and rent regulated residential properties in Sweden, and to actively work with property development. Through SBB's commitment and engagement in community participation and social responsibility, municipalities and other stakeholders find the Company an attractive long-term partner. The Company's series B shares (ticker SBB B) and D shares (ticker SBB D) are listed on Nasdaq Stockholm, Large Cap. The Company's preference shares (ticker SBB PREF) are listed on Nasdaq First North Premier Growth Market. Certified Adviser is Erik Penser Bank (contact: certifiedadviser@penser.se / +46 84638300). Further information about SBB is available at www.sbbnorden.se.