

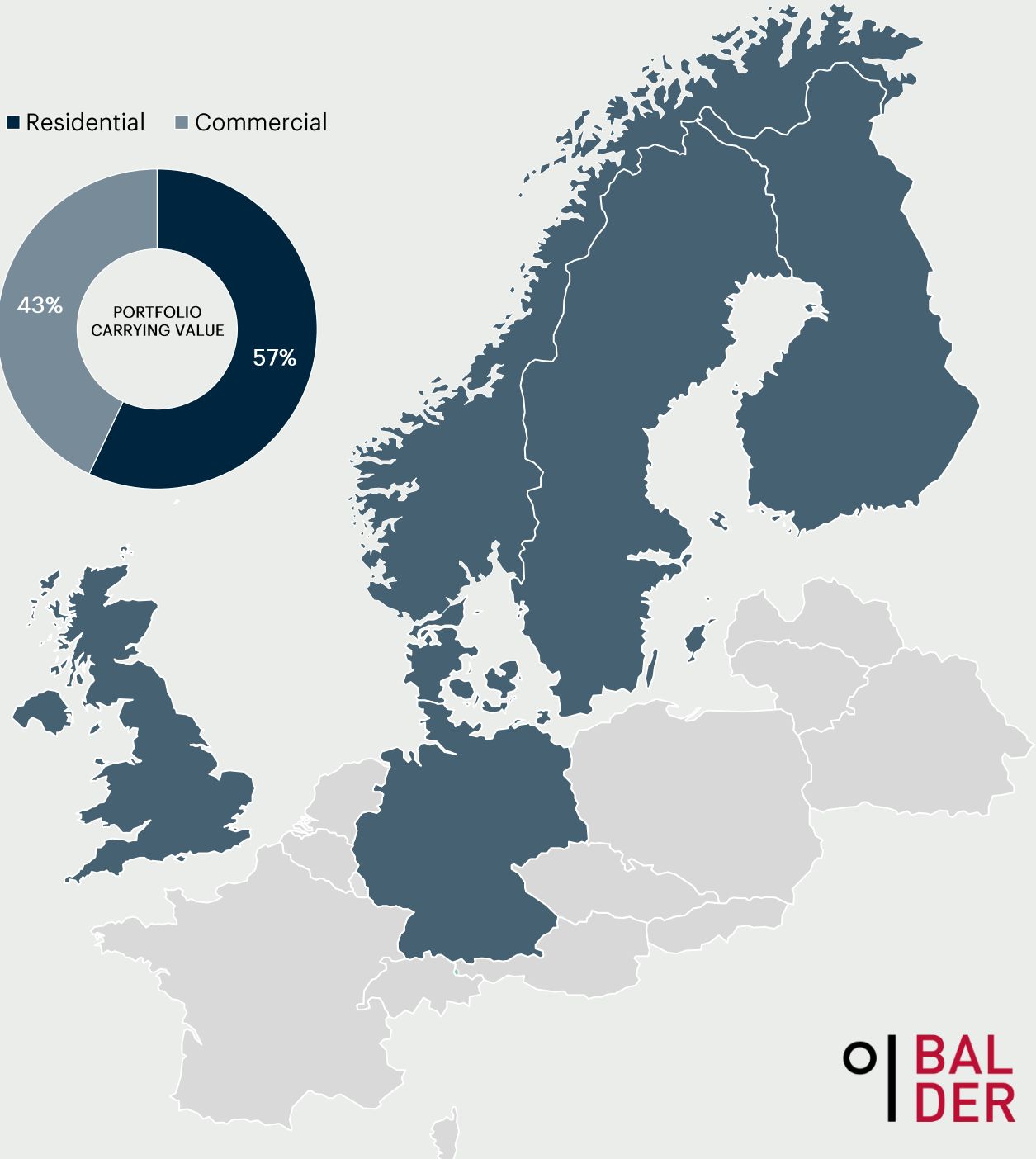
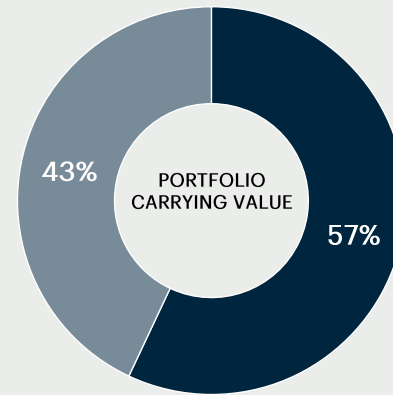
# CONFERENCE CALL

## Q3 2023

# BALDER AT A GLANCE

SEK BILLION <b>219</b> PORTFOLIO VALUE	S&P RATINGS <b>BBB</b> OFFICIAL RATING	% <b>96.0</b> OCCUPANCY RATE	YEARS <b>13.1</b> AVG. LEASE DURATION 10 LARGEST LEASES	
% <b>49.1</b> NET DEBT TO TOTAL ASSETS	TIMES <b>3.4</b> INTEREST COVERAGE RATIO	SEK BILLION <b>18.5</b> AVAILABLE LIQUIDITY	SEK <b>89.7</b> NAV PER SHARE	% <b>28</b> NAV GROWTH PER YEAR SINCE 2005

■ Residential ■ Commercial



- 

One of the largest and most well diversified property companies in the Nordic region both in terms of asset and location
- 

Solid fundamentals and benign demographics with 80% of the portfolio in capitals and larger cities supported by structural need for housing
- 

Active property and portfolio management ensures strong financial performance and provides excellent opportunities for a continuation to execute value-added transactions
- 

Strong property development platform enabling continued growth regardless of the situation on the transaction market
- 

The Balder share have yielded significant shareholder returns over time with NAV growth per share of +28% per year since 2005

# FASTIGHETS AB BALDER

## Q3 2023

- Q3: Rental income SEK 3,017m, increase 13%
- Net operating income SEK 2,341m, increase 16%
- Profit from property management decrease of 8% to SEK 1,584m, corresponding to SEK 1.37 per share
- Profit from property management in current earnings capacity 4.94 SEK/share, decrease 6% compared to same period last year
- Net debt to total assets 49.1%
- Like for like rental growth 5.2%
- NAV 89.74 SEK/share

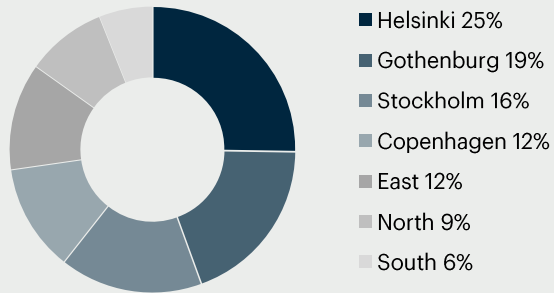




# A WELL-DIVERSIFIED PORTFOLIO

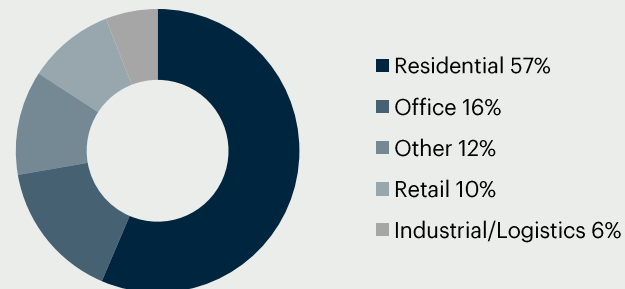
## CARRYING AMOUNT DISTRIBUTED BY REGION

Total real estate portfolio, %



## CARRYING AMOUNT DISTRIBUTED BY PROPERTY CATEGORY

Total real estate portfolio, %



**80%**

Of the property portfolio located in capitals and larger cities





# PROPERTY **DEVELOPMENT**

## **Two categories**

- Project properties for own management
- Development properties for sale

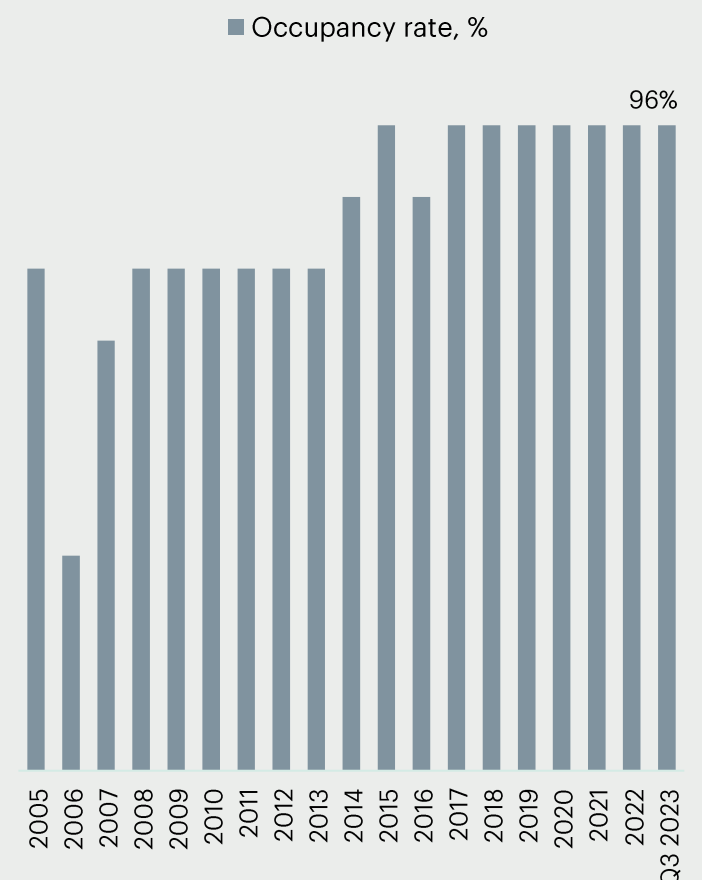
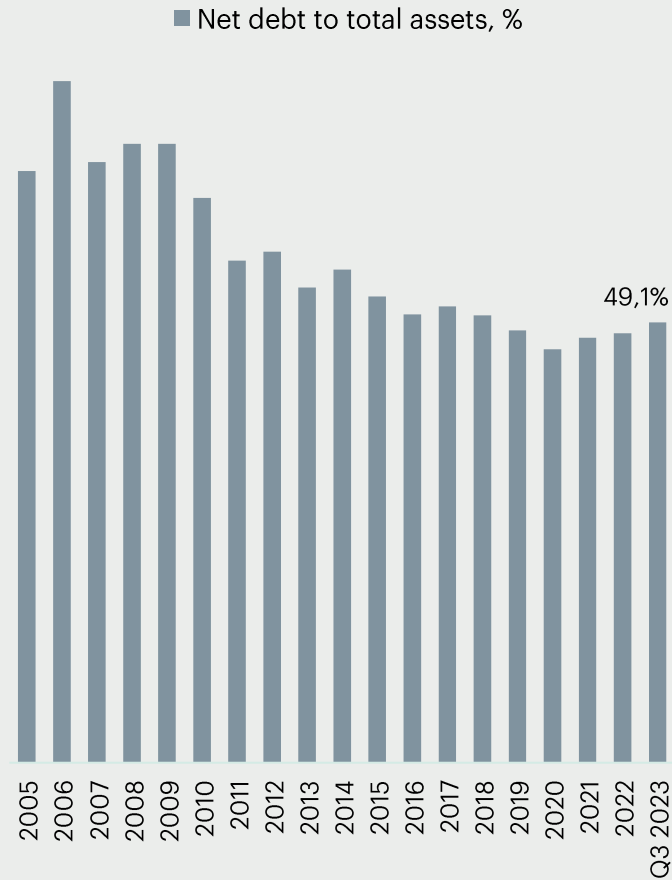
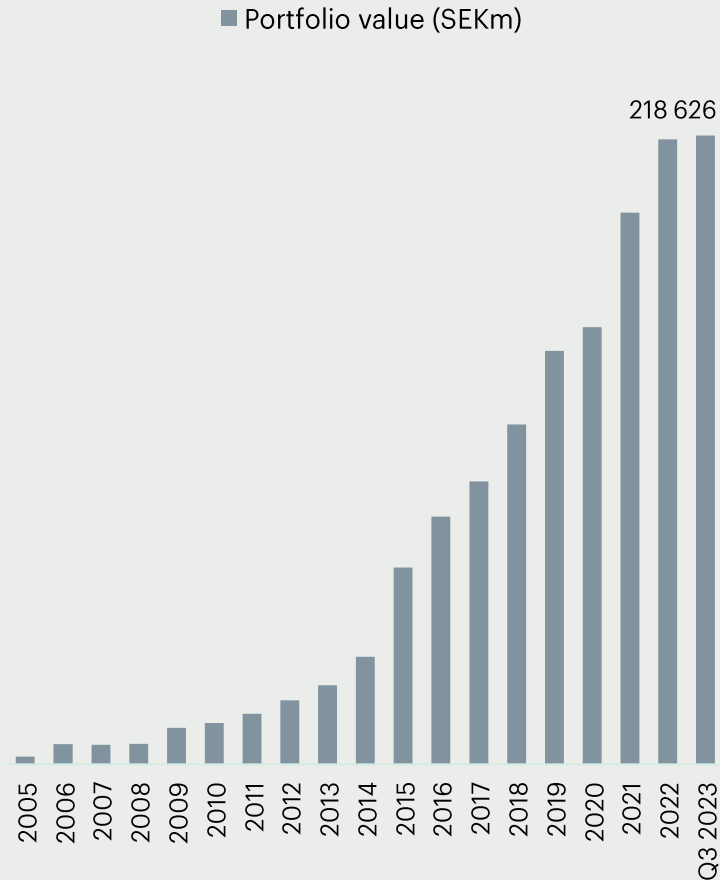
## **Investments 2023 and 2024**

- Declining investments and balance sheet

# LONG TRACK-RECORD OF DELIVERING VALUE



# ..WHILE IMPROVING OPERATIONAL STABILITY AND REDUCING LEVERAGE



Long track record of value creation through strong operational focus, as well as investments in acquisitions as well as new development

Continuous leverage reduction and commitment to investment grade rating

Strong population growth and urbanisation offer strong structural support for occupancy rates

# CURRENT EARNINGS CAPACITY

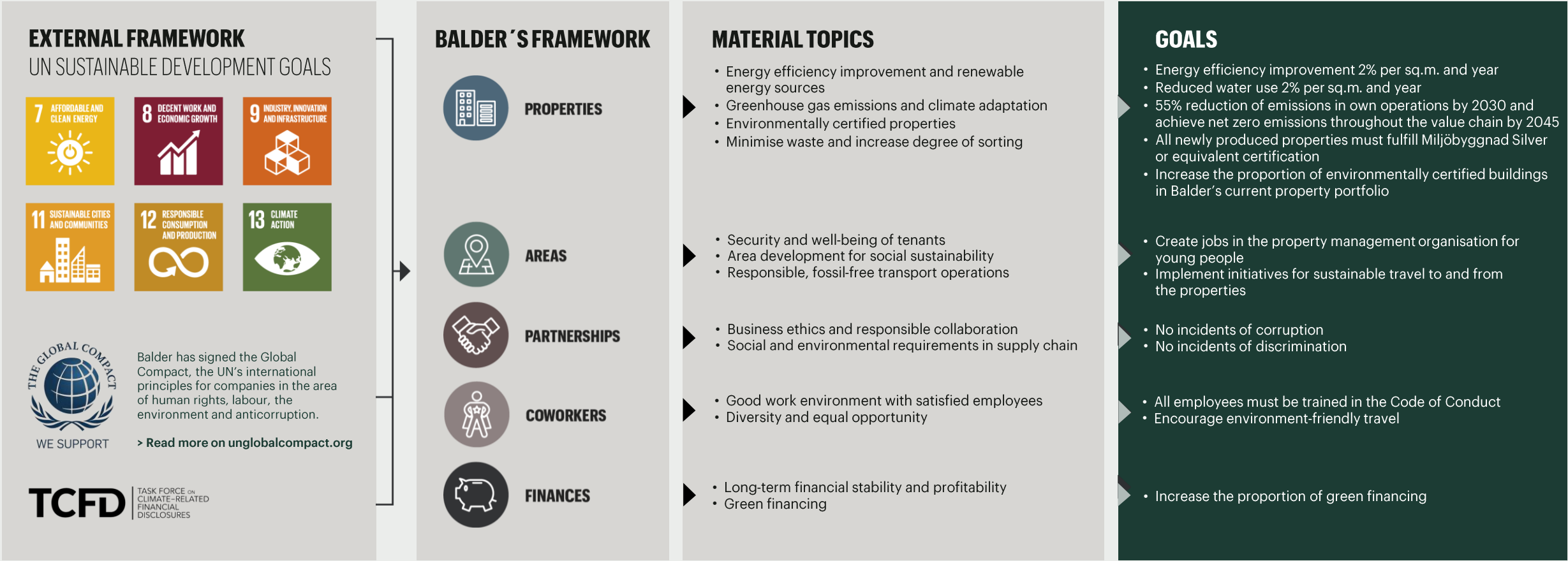
	2023	2023	2023	2022	2022	2022	2022	2021	2021
SEKm	30 Sep	30 June	31 March	31 Dec	30 Sep	30 June	31 March	31 Dec	30 Sep
Rental income	12,100	12,000	11,650	11,600	10,750	10,350	10,135	9,710	9,150
Property costs	-2,950	-2,925	-2,800	-2,735	-2,565	-2,470	-2,445	-2,370	-2,230
<b>Net operating income</b>	<b>9,150</b>	<b>9,075</b>	<b>8,850</b>	<b>8,865</b>	<b>8,185</b>	<b>7,880</b>	<b>7,690</b>	<b>7,340</b>	<b>6,920</b>
<i>Surplus ratio</i>	76%	76%	76%	76%	76%	76%	76%	76%	76%
Management and administrative costs	-1,100	-1,100	-1,050	-1,035	-1,000	-990	-980	-830	-780
Profit from property management from associated companies	1,950	1,850	1,850	1,850	1,800	1,780	1,760	1,650	1,500
<b>Operating profit</b>	<b>10,000</b>	<b>9,825</b>	<b>9,650</b>	<b>9,680</b>	<b>8,985</b>	<b>8,670</b>	<b>8,470</b>	<b>8,160</b>	<b>7,640</b>
Net financial items, incl. ground rent	-3,900	-3,600	-3,300	-2,900	-2,550	-2,220	-2,020	-1,750	-1,600
Non-controlling interests	-400	-410	-410	-560	-550	-580	-630	-630	-610
<b>Profit from property management Parent Company</b>	<b>5,700</b>	<b>5,815</b>	<b>5,940</b>	<b>6,220</b>	<b>5,885</b>	<b>5,870</b>	<b>5,820</b>	<b>5,780</b>	<b>5,430</b>
Tax	-1,190	-1,200	-1,230	-1,305	-1,240	-1,250	-1,240	-1,230	-1,130
<b>Profit after tax</b>	<b>4,510</b>	<b>4,615</b>	<b>4,710</b>	<b>4,915</b>	<b>4,645</b>	<b>4,620</b>	<b>4,580</b>	<b>4,550</b>	<b>4,300</b>
Profit from property management, per share, SEK	4.94	5.04	5.15	5.39	5.26	5.25	5.20	5.17	4.85

## Unchanged forecast for 2023

For 2023, the profit from property management, i.e. the profit before changes in value and tax, with the current real estate portfolio, acquisitions and divestments announced, and at current exchange rates, is expected to amount to SEK 6,200m.



# BALDER'S SUSTAINABILITY FRAMEWORK



# ESG UPDATE

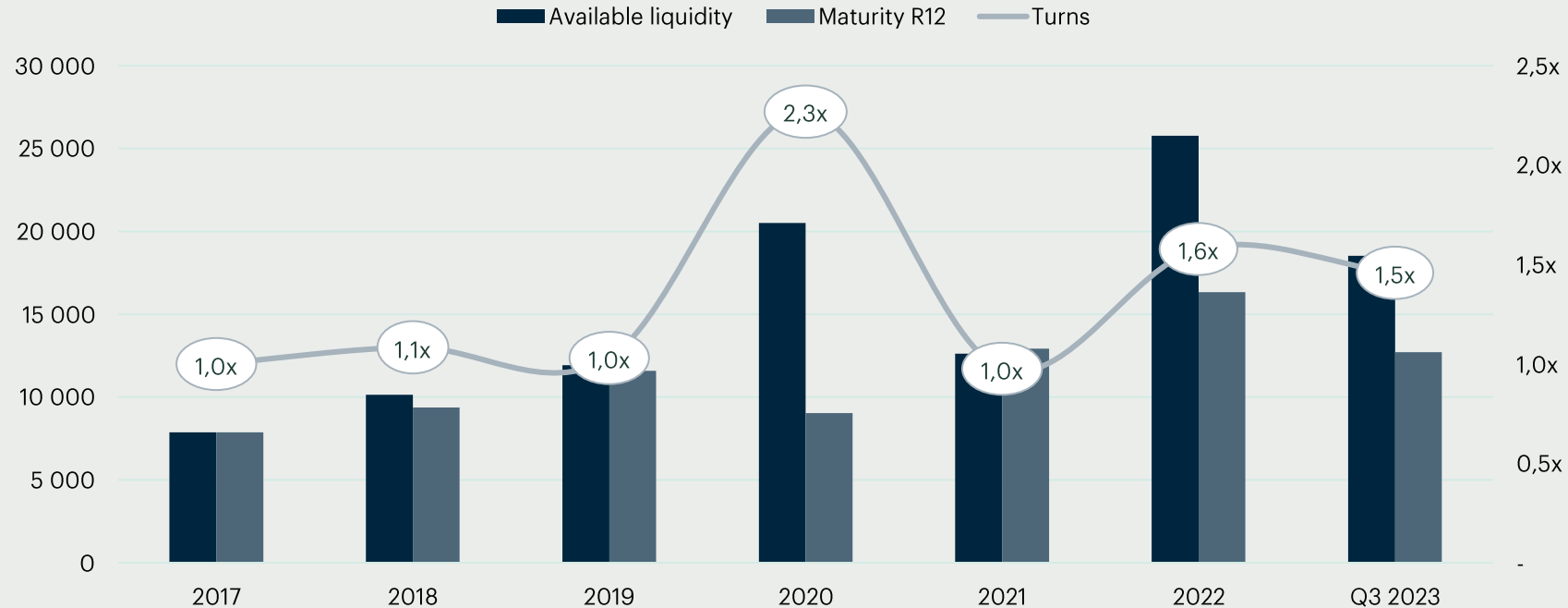
- Sustainability reporting is successively adapted to comply with the new EU directives ESRS/CSRD
- The company has conducted a double materiality analysis in line with CSRD/ESRS
- Balder's Sustainability team has expanded with two new colleagues
- New digital reporting system for sustainability reporting
- Sustainalytics updates Balder's ESG risk rating to 12.3 from 13.8



**12.3**  
ESG RISK  
RATING

# PRUDENT FINANCIAL STRATEGY

## WITH A WELL-BALANCED RISK MANAGEMENT



### PROACTIVE BALANCE SHEET MANAGEMENT THROUGH:

Available liquidity of SEK 19 billion corresponding to 150% of maturing liabilities within 12 months.

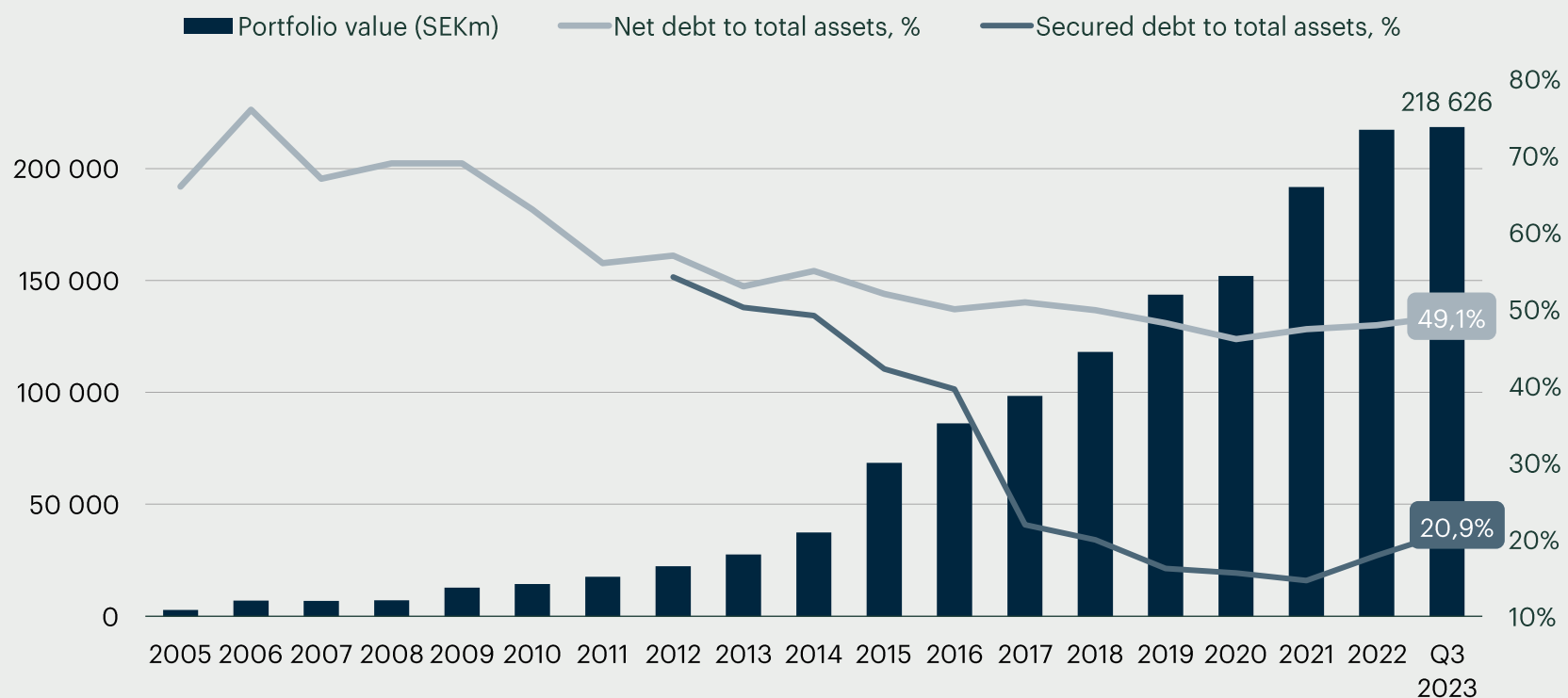
Repurchase of 10 % of outstanding hybrid capital of SEK 510 million.

The higher level of liquidity will be maintained as long as the financial markets are strained.



# FINANCING

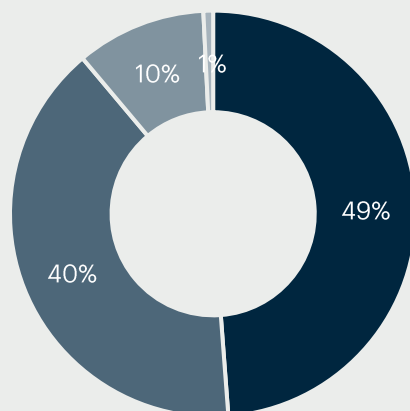
Portfolio Value (SEKm) and Net Debt to Total Assets (%)



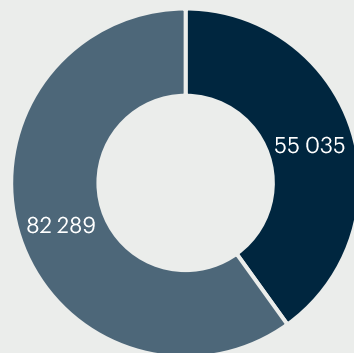
Secured debt to total assets 20.9%

70% of debt is hedged with interest swaps and fixed-rate loans

# FINANCING



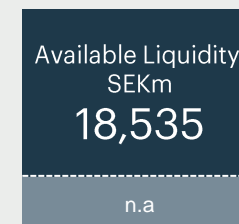
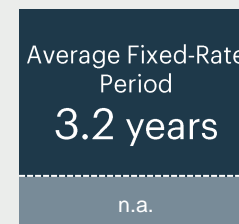
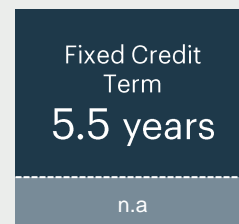
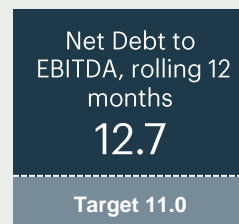
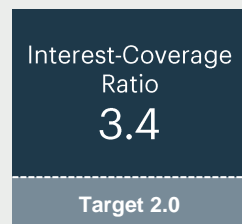
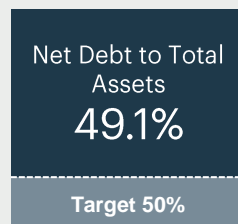
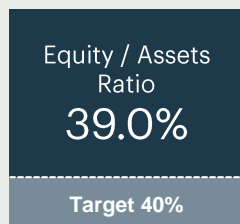
- Unsecured bonds, 49%
- Secured bank loans, 40%
- Unsecured bank loans, 10%
- Commercial paper, 1%



- Secured loans, 40%
- Unsecured loans, 60%

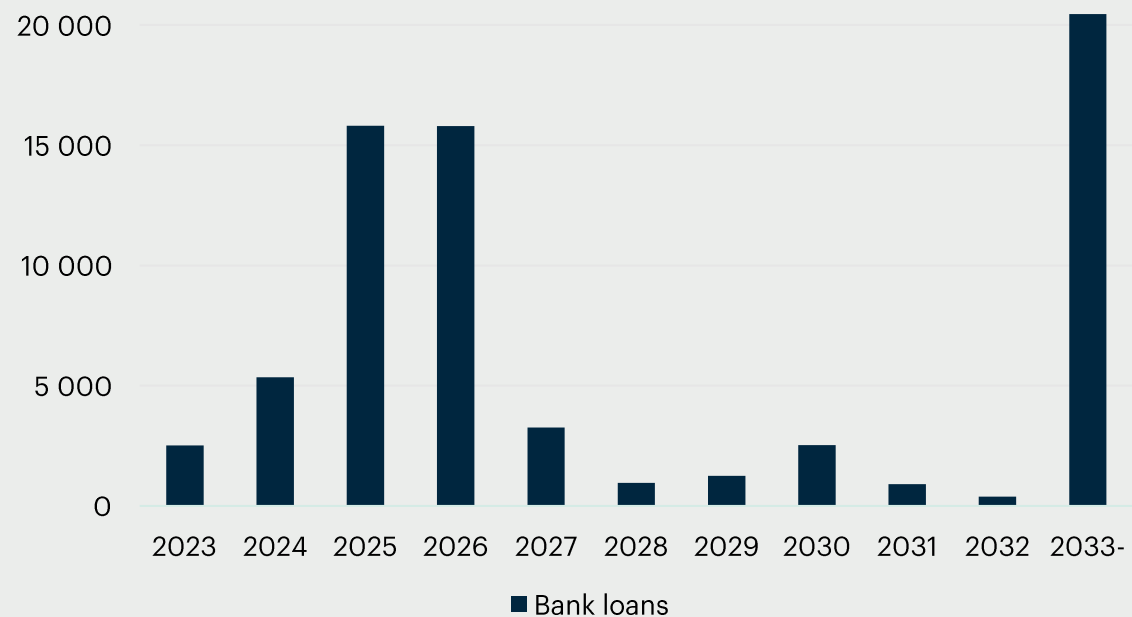
## INTEREST FIXING STRUCTURE

Year	SEKm	Interest %	Proportion %
2023	35,799	4.3	26
2024	10,593	3.4	8
2025	10,088	2.6	7
2026	13,163	2.5	10
2027	14,243	1.7	10
2028	13,725	3.4	10
2029	15,753	1.4	11
2030	8,525	1.9	6
2031	8,734	1.7	6
2032	2,805	2.5	2
2033-	3,896	2.0	3
<b>Total</b>	<b>137,324</b>	<b>2.8</b>	<b>100</b>

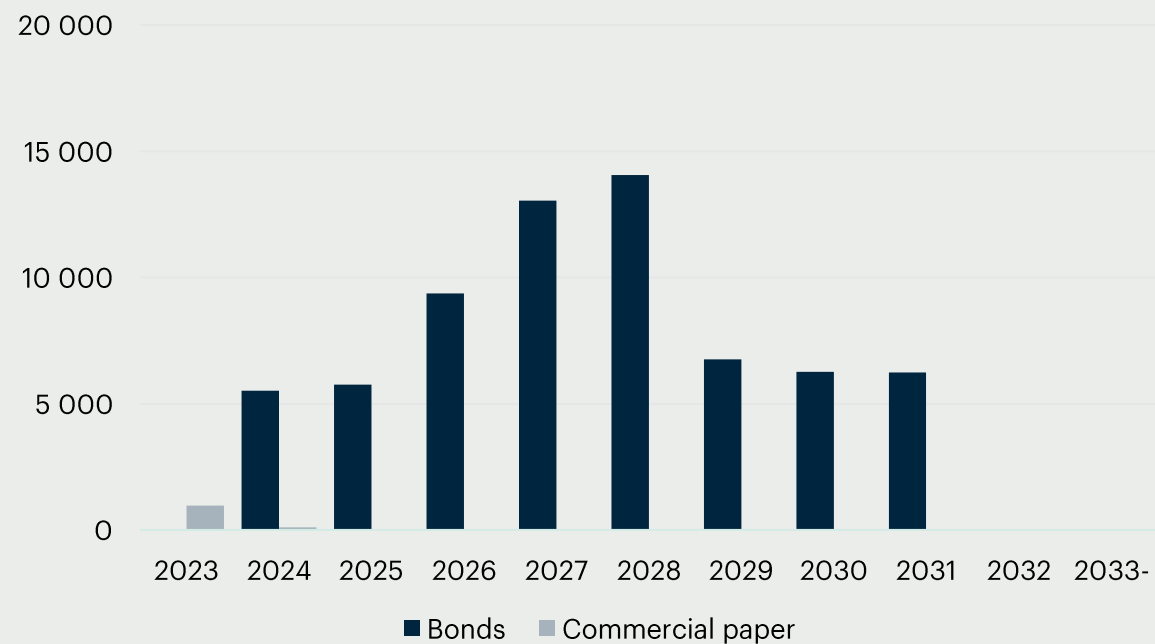


# FINANCING

## MATURITY STRUCTURE BANK LOANS



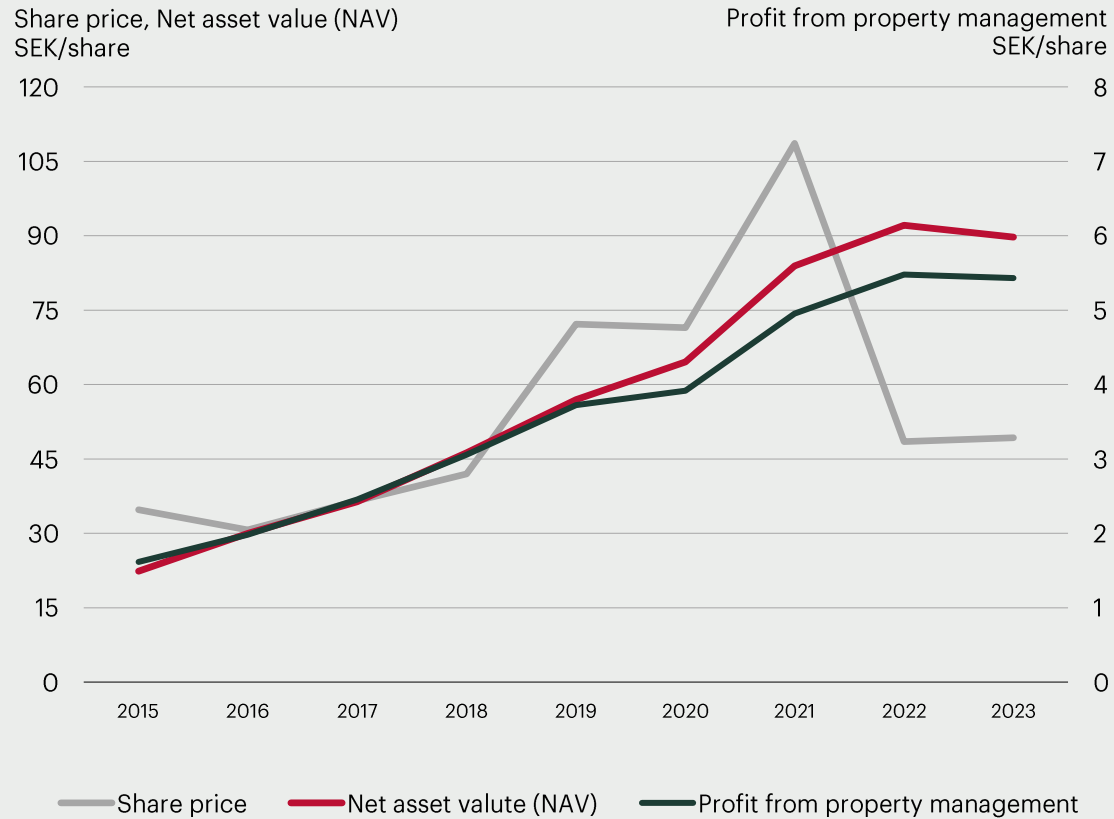
## MATURITY STRUCTURE BONDS AND COMMERCIAL PAPER



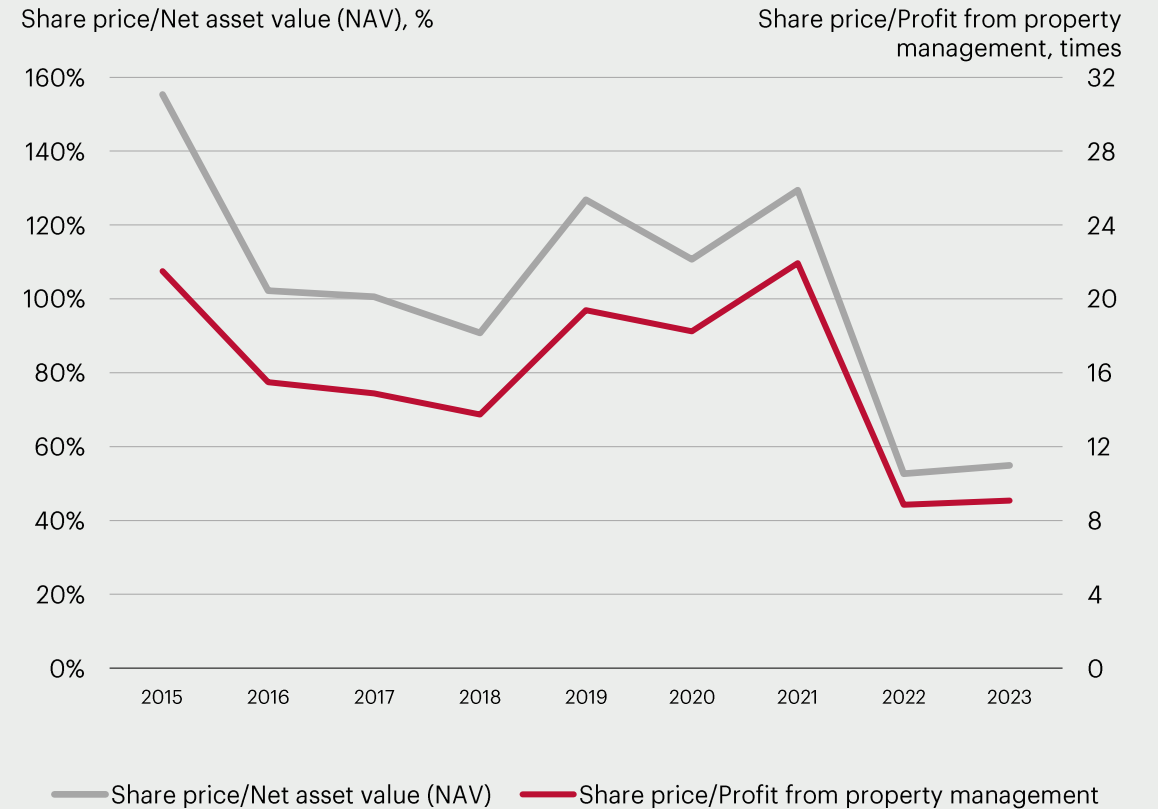


# THE SHARE

## Share price development over time



## Share price development in relation to NAV and Profit from property management



# CONSOLIDATED STATEMENT OF **COMPREHENSIVE INCOME**

SEKm	2023 July-September	2022 July-September	Deviation, Δ %
Rental income	3,017	2,659	13
Property costs	-676	-645	
<b>Net operating income</b>	<b>2,341</b>	<b>2,015</b>	<b>16</b>
Management and administrative costs	-250	-246	
Participation in the profits of associated companies/joint ventures	-773	-1,107	
Other income/costs	1	9	
Net financial items	-881	-464	
- Of which cost of leases/ground rent	-23	-19	
Non-controlling interest	-123	-145	
<b>Profit from property management, Parent Company</b>	<b>1,584</b>	<b>1,718</b>	<b>-8</b>
<i>Changes in value</i>			
Changes in value investment properties, realised	-21	23	
Changes in value investment properties, unrealised	-1,749	626	
Profit from development properties	115	46	
Changes in value derivatives	107	135	
<b>Changes in value total</b>	<b>-1,547</b>	<b>829</b>	
<b>Profit before tax</b>	<b>-1,109</b>	<b>1,036</b>	
Income tax	43	-259	
<b>Net profit for the period</b>	<b>-1,067</b>	<b>777</b>	
Profit from property management per share, SEK	1.37	1.54	
Profit after tax per share, SEK	-0.92	0.55	

# CONSOLIDATED STATEMENT OF **FINANCIAL POSITION**

SEKm	2023 30 September	2022 30 September
<b>Assets</b>		
Investment properties	215,060	209,717
Development properties	3,567	3,436
Lease contract; Right-of-use assets	1,922	1,634
Other fixed assets	278	216
Participations in associated companies/joint ventures	29,824	31,599
Derivatives	1,407	2,181
Other receivables	6,069	4,504
Cash and cash equivalents and financial investments	5,646	5,374
<b>Total assets</b>	<b>263,772</b>	<b>258,660</b>
<b>Equity and liabilities</b>		
Equity	100,563	100,355
Deferred tax liability	17,407	17,589
Interest-bearing liabilities	137,324	132,856
<i>of which Hybrid capital</i>	4,593	8,352
Lease contract	1,922	1,633
Other liabilities	6,555	6,228
<b>Total equity and liabilities</b>	<b>263,772</b>	<b>258,660</b>



# SHAREHOLDERS **AS OF 30 SEPTEMBER 2023**

Owner	A shares	B shares	Total no shares	Capital, %	Votes, %
Erik Selin via company	49,855,968	343,265,400	393,121,368	34.1%	47.8%
Arvid Svensson Invest AB	17,495,352	81,255,240	98,750,592	8.6%	14.6%
AMF Försäkring och Fonder	-	73,678,579	73,678,579	6.4%	4.2%
Swedbank Robur Fonder	-	64,515,681	64,515,681	5.6%	3.7%
Länsförsäkringar Fondförvaltning AB	-	39,742,285	39,742,285	3.4%	2.3%
Lannebo Fonder	-	24,836,650	24,836,650	2.2%	1.4%
SEB Investment Management	-	24,016,898	24,016,898	2.1%	1.4%
Handelsbanken fonder	-	17,435,309	17,435,309	1.5%	1.0%
Folksam	-	16,002,095	16,002,095	1.4%	0.9%
Cliens Fonder	-	13,902,789	13,902,789	1.2%	0.8%
Other	25,272	387,972,482	387,997,754	33.6%	22.1%
<b>Total</b>	<b>67,376,592</b>	<b>1,086,623,408</b>	<b>1,154,000,000</b>	<b>100%</b>	<b>100%</b>

# Q&A