



Q1 2023 Update for Heimstaden Bostad

27 April 2023

Welcome from the CEO
Helge Krogsbøl



- Appointed CEO October 2022,
- Appointed Deputy CEO of Heimstaden in August 2021
- Heimstaden Chief Operating Officer since 2018
- Previously SVP at Pandox AB, CEO at First Hotels, RDO at Olav Thon Group – Thon conference Nordic & Benelux region

Themes for today: Navigating the new environment

- 1 Supply/demand imbalances set to increase – expecting relief on valuations in near term
- 2 Inflation hedged asset class – NOI to follow inflation over time, but with a lag
- 3 Lower funding needs going forward – expect secured financing to cover funding needs until 2025
- 4 Solid underlying operations – but expecting pressure on key financial KPIs including ICR

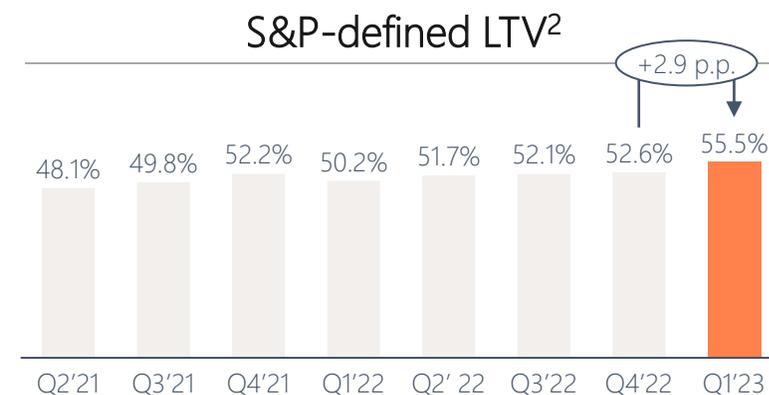
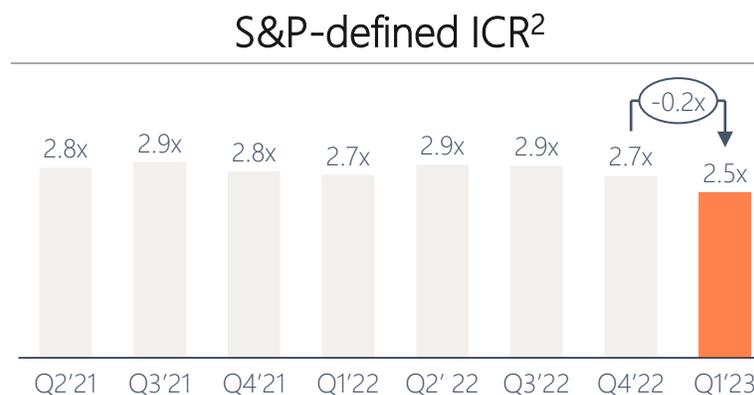
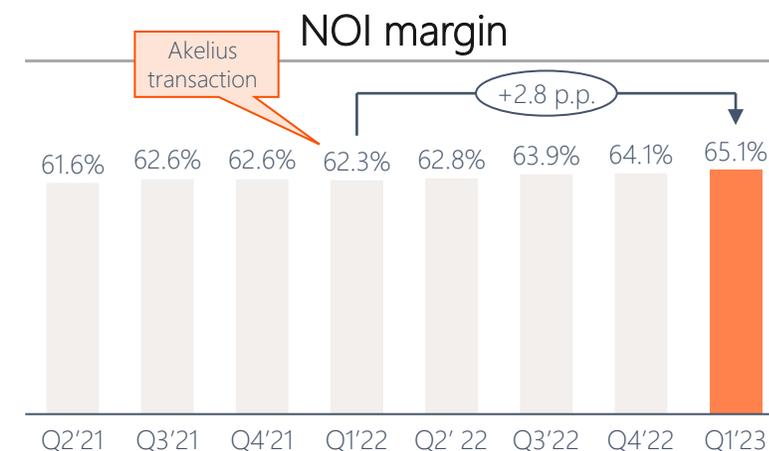
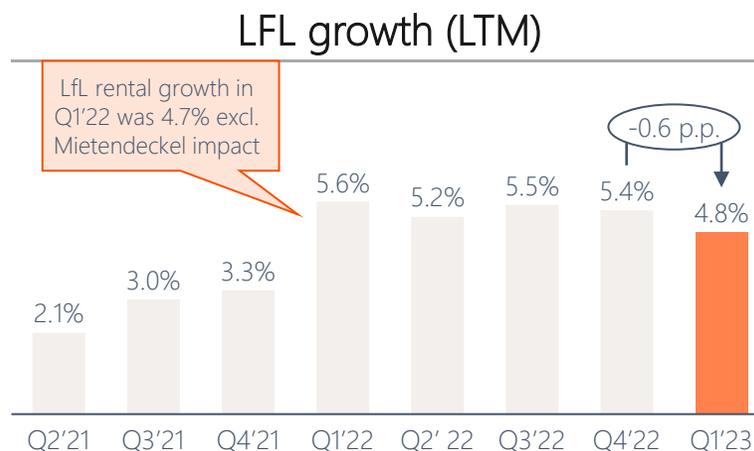
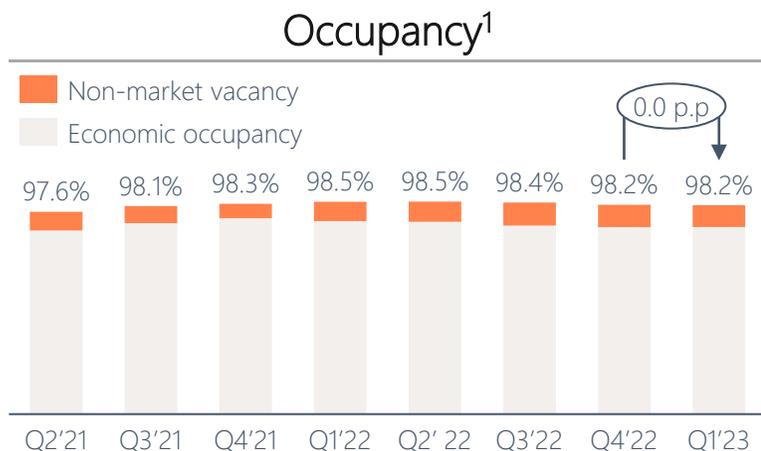
Thomas Hansen

Chief Financial Officer



- Appointed CFO January 2023
- Formerly senior leader in financial reporting and controlling, financial systems, international tax, and commercial operations at Scatec ASA
- Previously Director of Financial Reporting & Tax in Circle K Europe AS and auditor and advisor at KPMG

Strong operating results with pressure on credit metrics in current funding environment

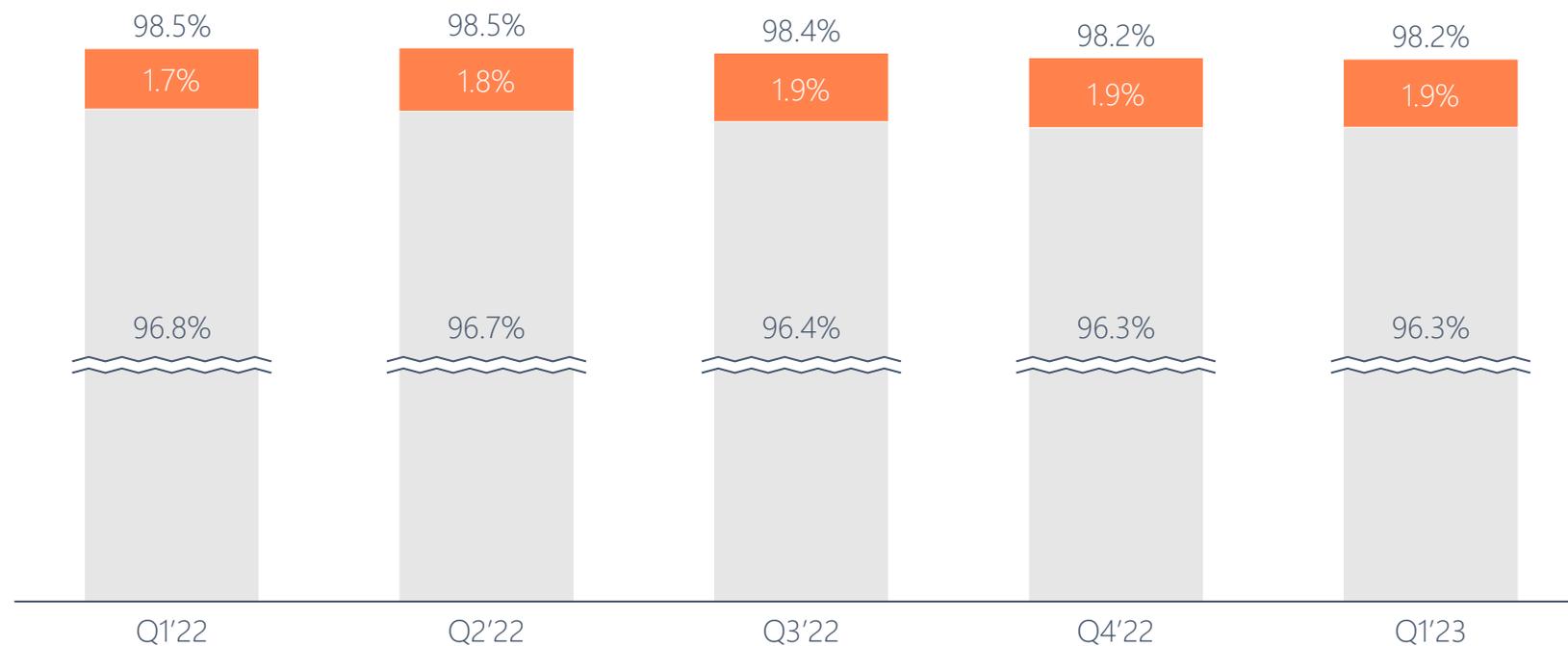


1) Real economic occupancy rate; 2) S&P definition that includes 50% of the hybrids interest expense and debt

Occupancy trends remain very strong

Development in real economic occupancy

■ Non-market vacancy adj.
 ■ Economic occupancy



Real Economic occupancy by country

	Q4'22	Q1'23	Δ
	99.2%	99.1%	-0.1%
	98.3%	99.2%	0.9%
	97.0%	96.6%	-0.4%
	99.7%	99.8%	0.1%
	97.1%	97.1%	0.0%
	99.4%	99.3%	0.1%
	95.6%	93.8%	-1.8%
	100.0%	85.7%	-14.3%
	81.8%	96.3%	14.5%
Total	98.2%	98.2%	0.0%

Like for like rental growth set to remain high

Development in like for like growth vs. core CPI¹



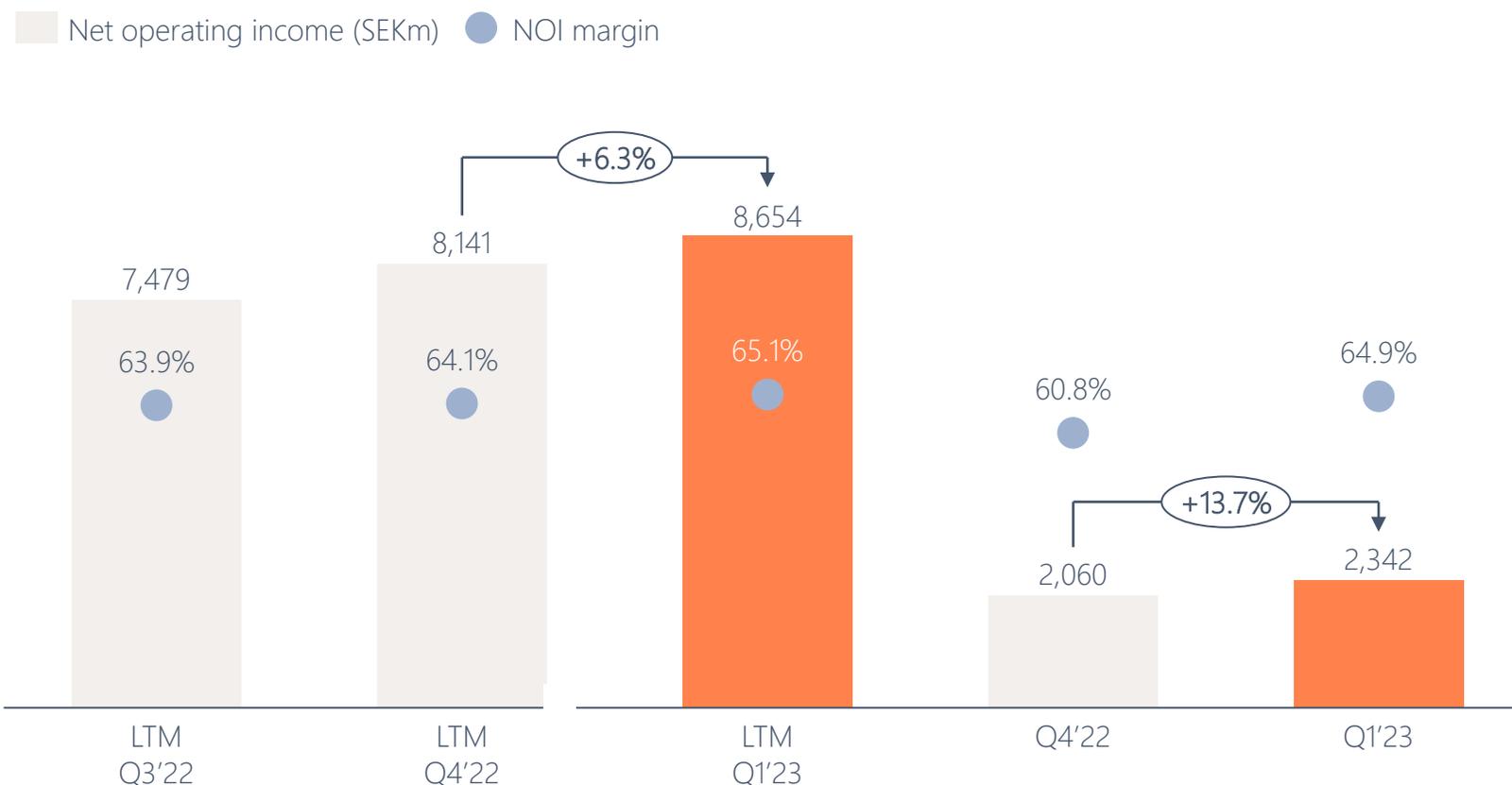
Net like for like growth by country

	Q4'22	Q1'23
	2.8%	3.1%
	2.8%	3.2%
	4.5%	2.6%
	4.9%	4.9%
	12.6%	15.6%
	8.4%	7.4%
	n/a	0.5%
	n/a	7.1%
	n/a	n/a
Total	5.4%	4.8%

¹⁾ Year on year development weighted with HSTB GAV in relevant quarter

Net operating income and margins show strength into 2023

Development in net operating income



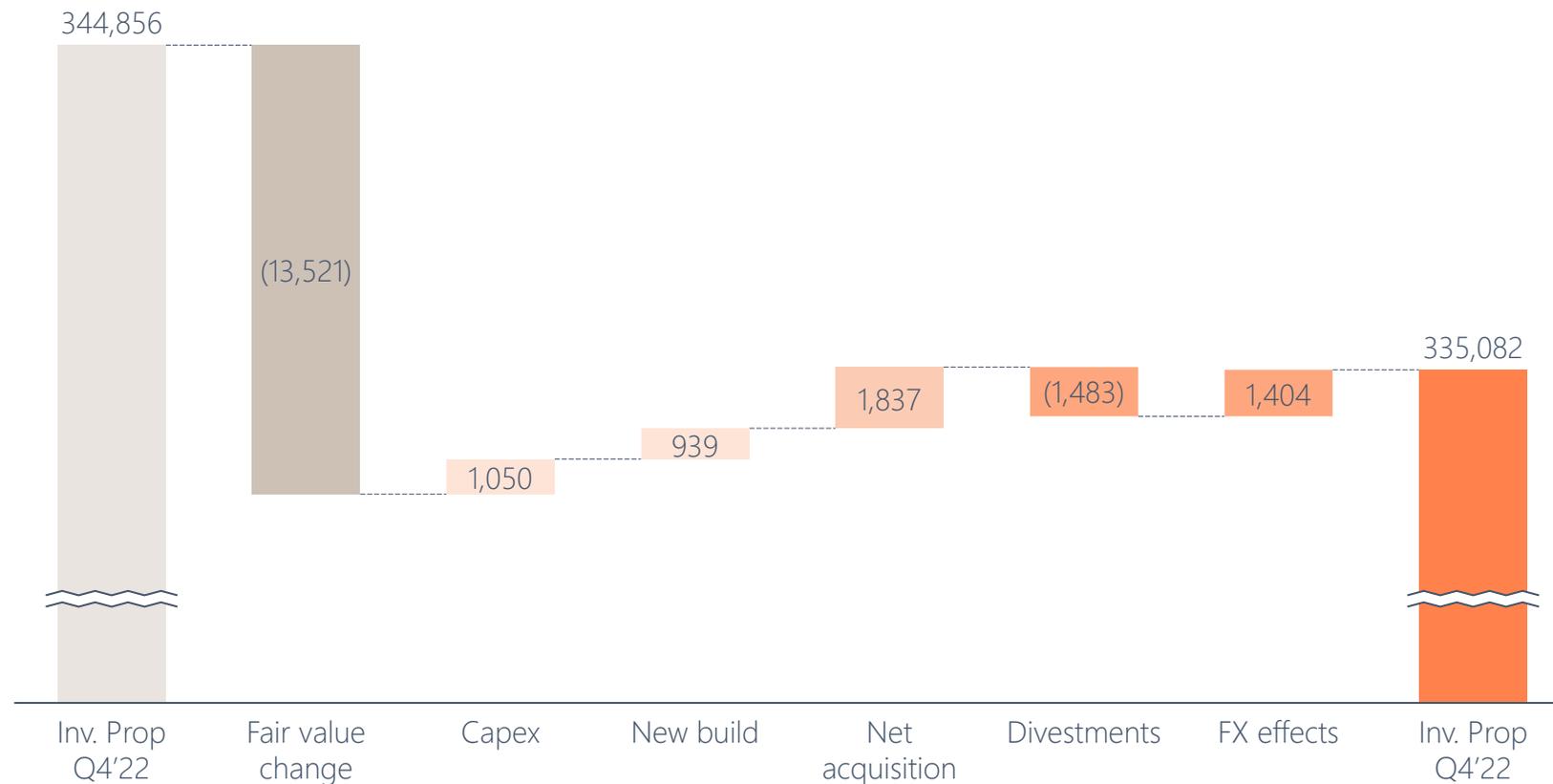
NOI margin by country¹

	Q4'22	Q1'23	Δ	H&W ²
	49.5%	50.1%	0.7%	
	68.4%	77.9%	9.5%	
	64.8%	66.1%	1.3%	
	66.5%	73.2%	6.7%	
	65.3%	72.6%	7.3%	
	75.2%	77.3%	2.1%	
	38.1%	43.9%	5.7%	
	n.m.	n.m.	n.m.	
	n.m.	n.m.	n.m.	
Total	60.8%	64.9%	4.1%	

1) Excluding group adjustments by country, but included in total 2) Cost carrier of heating and water

Negative fair value development for Q1 2023

Development in GAV (SEKm)



Value development by country

	Q-o-Q ▲		NOI Yield ¹	
	%	SEKm	Q1'23	Q4'22
	(3.2%)	(3,161)	3.0%	2.8%
	(6.6%)	(6,189)	2.5%	2.5%
	(4.1%)	(3,101)	4.1%	3.9%
	(7.8%)	(2,398)	3.6%	3.3%
	1.6%	386	4.6%	4.6%
	4.1%	717	3.0%	3.0%
	(2.7%)	(106)	4.2%	4.7%
	10.0%	325	4.2%	4.6%
	0.5%	6	5.4%	5.2%
Total	(3.9%)	(13,521)	3.3%	3.2%

¹⁾ Average valuation yield requirement

Christian Fladeland

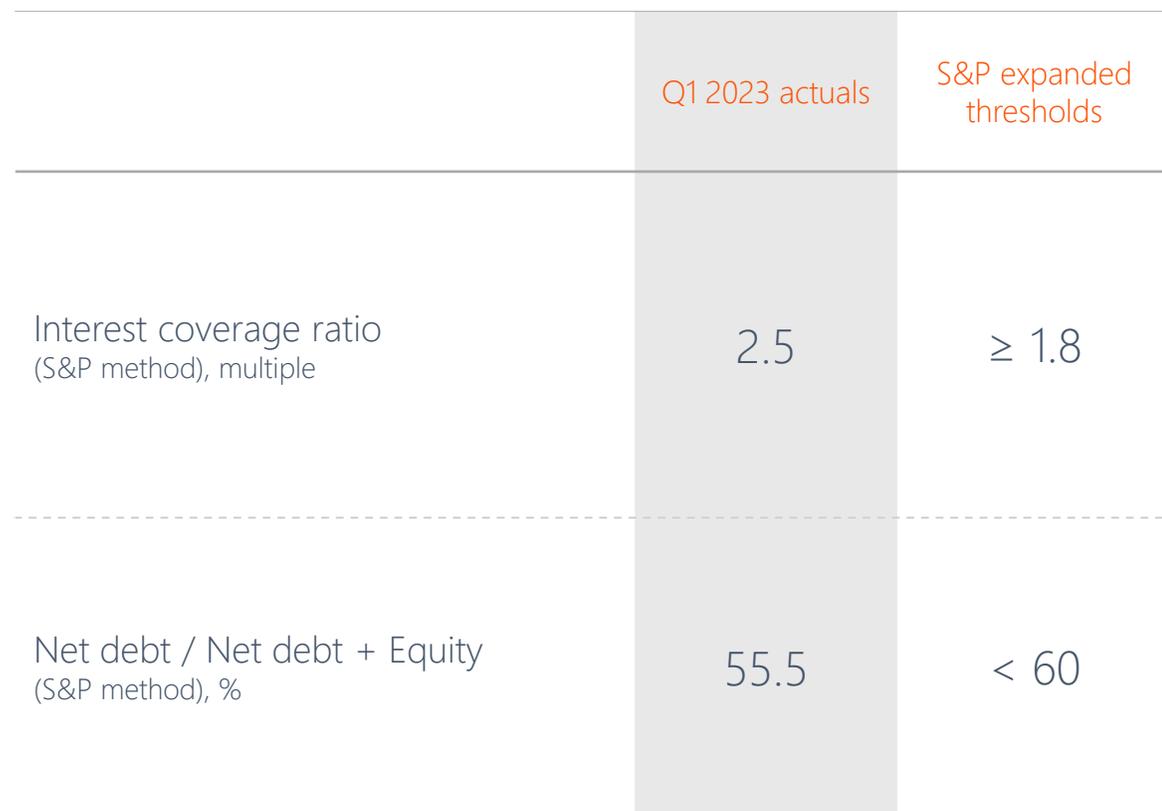
Chief Investment Officer



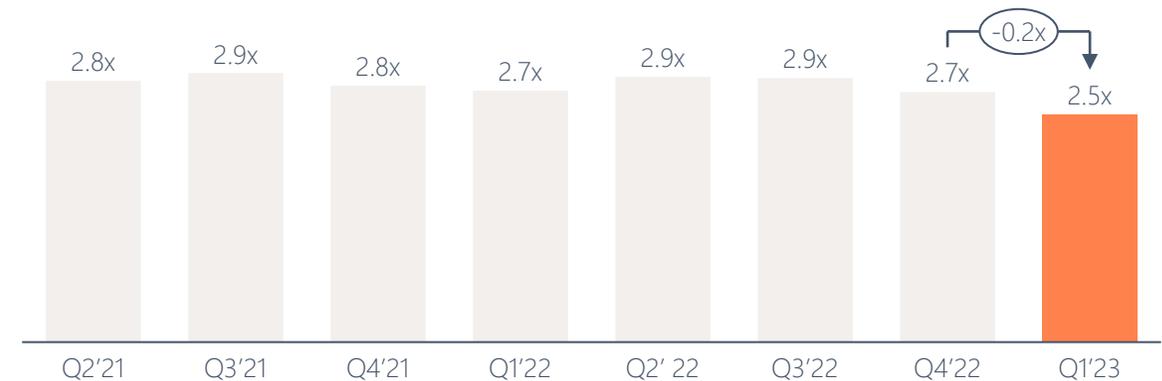
- Appointed CIO January 2019, and took over responsibility for funding as of January 2023
- Previously Partner at Colliers Denmark and Sadolin & Albæk specialized within Capital Markets

Key credit metrics within S&P BBB thresholds

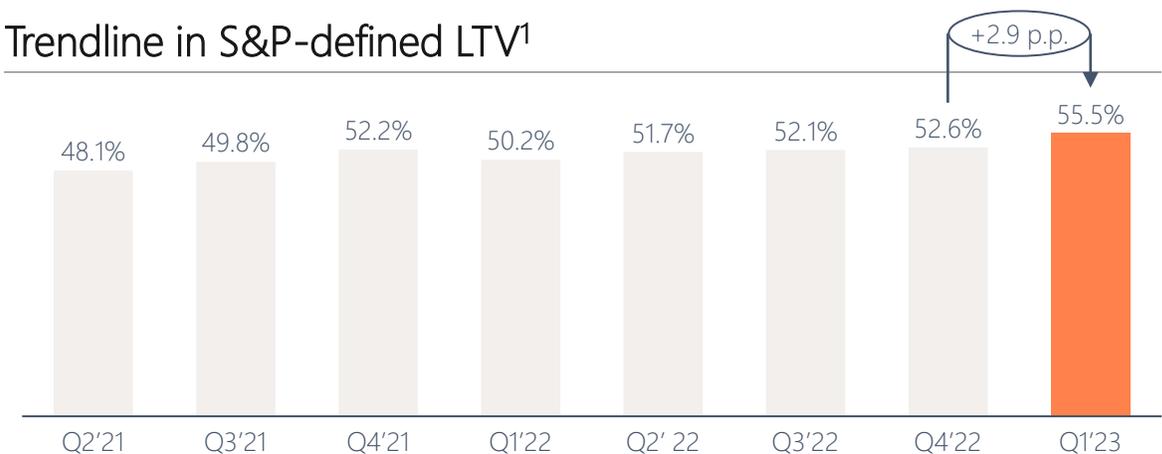
Maintaining compliance with expanded thresholds



Trendline in S&P-defined ICR¹



Trendline in S&P-defined LTV¹

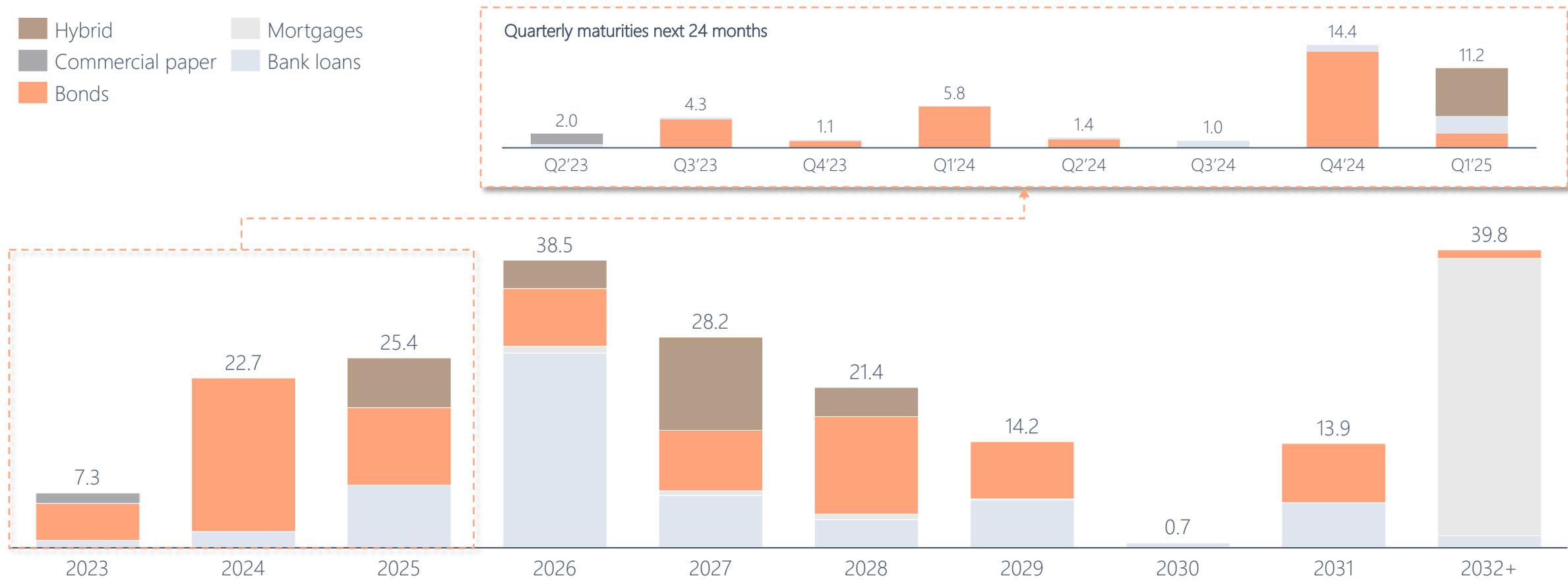


¹⁾ S&P definition includes 50% of the hybrids interest expense and debt

Prudent management of upcoming maturities

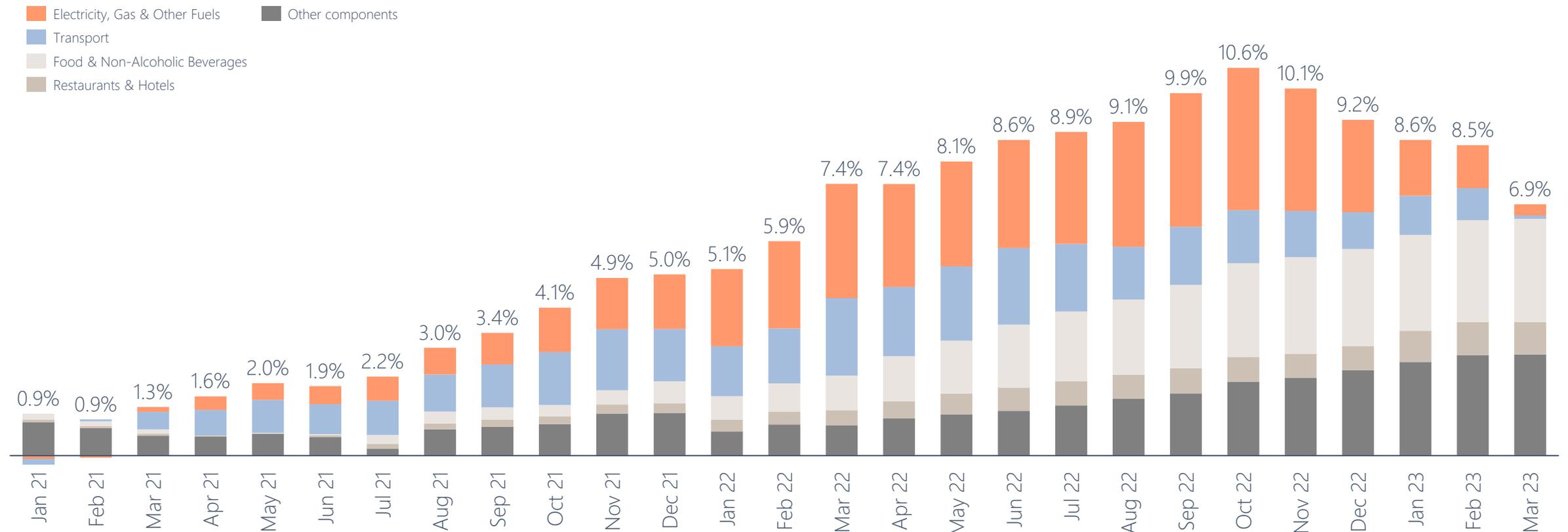
Maturity by instrument (SEK bn)

- Hybrid
- Mortgages
- Commercial paper
- Bank loans
- Bonds



Sticky inflation is supportive for rental growth prospects

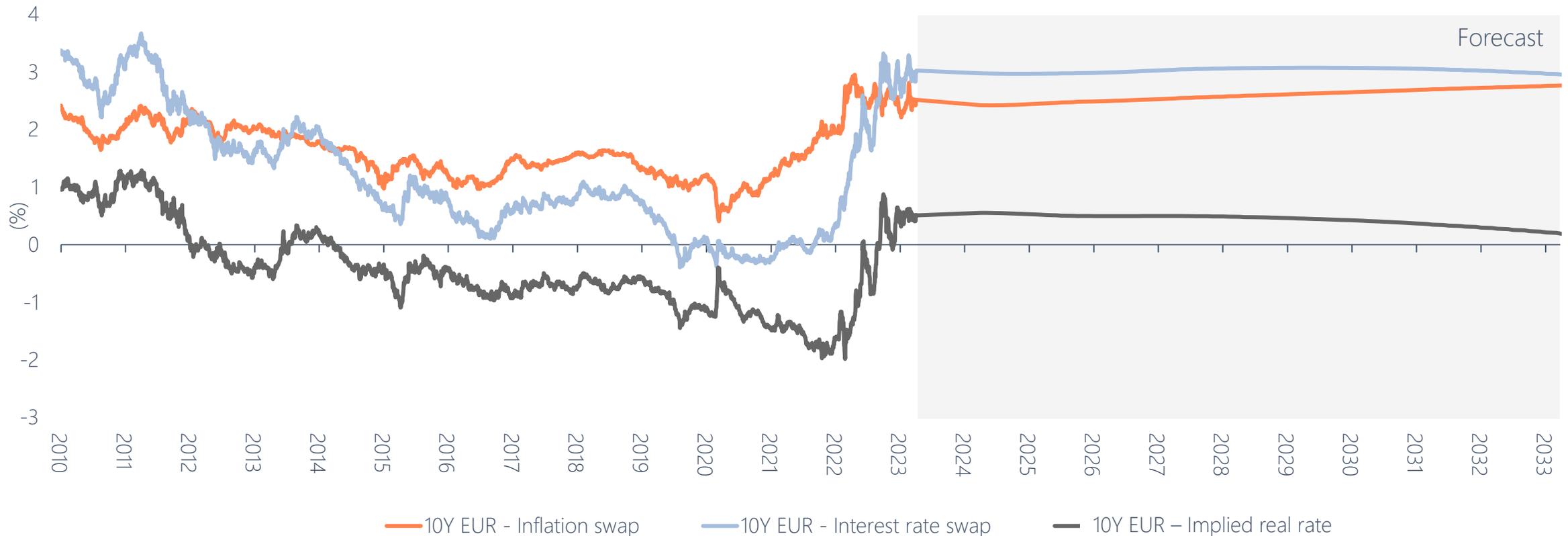
Euro area HICP remains elevated despite reductions in energy prices



Source: Eurostat

Long-term rates showing signs of stability

10Y EUR interest, inflation swaps and implied real rates - historical and forward-looking



Source: Macrobond



Heimstaden

BOSTAD