

Please note: the statement at the rear of this report contains details of investment banking services recently provided by SEB which could be considered relevant to the subject matter of this report.
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Company Update

Property

Sweden

12 November 2021

Public ratings

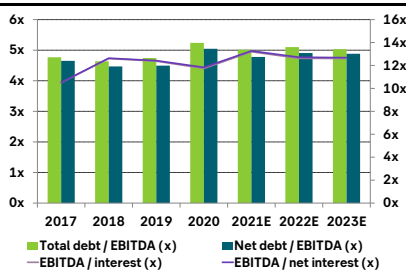
Moody's: A3/Stable

S&P: N.R.

Fitch: N.R.

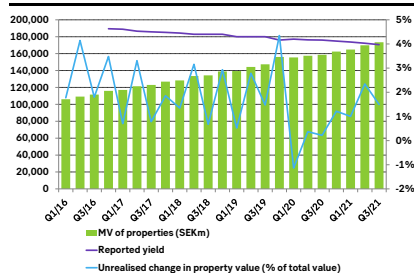
Market cap (SEKm) Not listed

Vasakronan key credit metrics



Source: SEB

Property portfolio statistics (SEKm)



Source: Company reports

Q3: Stable with improved ratings leeway

Vasakronan's operating and financial performance in the quarter was stable. Key credit metrics improved slightly on a sequential basis, thanks to unrealised value changes and lower financial costs. Vasakronan returned to positive net lettings in the quarter but with sequential increase in vacancy. The I-f-I rental growth YTD was healthy at 2% thanks to higher gross rents. We view the Q3 report as credit neutral.

Q3: return to positive net lettings but with sequential increase in vacancy

The operating performance in Q3/21 was stable, with negligible deviations from our estimates. Vasakronan reported a return to positive net lettings in the quarter (SEK 20m), but the occupancy rate deteriorated about 1% sequentially to 91.0% (including projects). However, the company said it regards vacancies in its property portfolio as an opportunity in a lettings market with increased activity, and good occupier demand for Vasakronans projects. Looking at renegotiations for the first nine months of 2021, price change averaged 9% (7% last year). That said, there is a divergence between offices and retail: the average rent increase on renegotiated leases during Q3 was 10% for offices, compared to a 10% decline for retail.

Slight improvement in key metrics - ratings leeway is adequate

Key credit metrics improved slightly q/q, thanks to unrealised value changes and lower financial costs. Property revaluations in Q3 amounted to SEK 2.5bn driven by downward adjustment of yield requirements (we expected SEK 1.7bn). The asset uplift made in the quarter, corresponds to 1.5% of the property value, and the average yield requirements decreased 6bp q/q to 3.97%. As of end-September 2021, we calculate 12-month interest coverage at 5.0x, net LTV at 40.1%, and net debt/EBITDA at 13.0x. Vasakronan continues to benefit from lower funding costs, with an average interest rate standing at 1.5% at end-Q3, down 20bp y/y.

Stable and credit neutral Q3 report – bonds are indicated at fair levels

We view the Q3 report as credit neutral. Vasakronan's SEK maturities are indicated roughly in line or marginally tighter than relevant A- rated peers. This is fair given its better rating resilience and lower leverage.

Key credit metrics & ratios

	2017	2018	2019	2020	2021E	2022E	2023E
Revenues (SEKm)	6,490	6,718	7,040	7,006	7,371	7,788	8,135
EBITDA (SEKm)	4,581	4,768	4,947	4,914	5,196	5,493	5,756
EBIT (SEKm)	4,581	4,768	4,947	4,914	5,196	5,493	5,756
FFO (SEKm)	3,383	3,729	3,973	3,581	4,140	4,268	4,470
FOCF (SEKm)	398	2,541	256	-1,445	75	168	420
Net debt (m)	56,998	58,872	63,123	66,759	68,684	72,015	75,096
Equity	51,377	60,271	70,156	70,869	79,809	81,290	82,972
EBITDA margin	70.6	71.0	70.3	70.1	70.5	70.5	70.8
EBIT margin (%)	70.6	71.0	70.3	70.1	70.5	70.5	70.8
Adjusted EBITDA net int. cover. (x)	3.9	4.6	4.4	4.4	4.8	4.8	4.7
Adjusted net debt to EBITDA (x)	12.4	12.3	12.8	13.6	13.2	13.1	13.0
Adjusted FFO / Net debt	6%	6%	6%	5%	6%	6%	6%
Adjusted net debt to capital	53%	49%	47%	49%	46%	47%	48%

Source: SEB

Analyst

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Q3 vs SEB DCM Research

Vasakronan's operating performance in Q3/21 was solid and slightly stronger than we expected. While rental income was fully in line with our estimates, NOI, EBITDA and FFO were slightly stronger (about 1%). The company beat our expectations for property value changes (SEK 2,553m against our expectation of SEK 1,656m). The average yield requirements decreased 6bp q/q to 3.97%. Key credit metrics improved somewhat sequentially ahead of our estimates, including a 12M interest coverage of 5.0x (we expected 4.9x) and net LTV of 40.1% (we expected 40.7%). We attribute the minor deviation from our forecasts to lower net interest expenses and higher property revaluations in the quarter than we had expected.

SEB DCM Research deviation table (SEKm)

	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21E	Q3/21	DEV
Rental income	1,767	1,772	1,818	1,842	1,854	1,852	0%
NOI	1,293	1,274	1,293	1,333	1,366	1,378	1%
EBITDA	1,265	1,245	1,260	1,293	1,336	1,346	1%
FFO	977	984	798	1,150	1,013	1,023	1%
FOCF	101	-274	-333	126	63	363	
Interest expense	-285	-264	-271	-269	-295	-270	-9%
Net interest expense	-282	-263	-270	-268	-293	-269	-8%
Investment properties	158,641	162,420	164,819	169,863	172,469	173,471	1%
Total debt	67,292	69,317	73,167	73,700	73,983	73,763	0%
Net debt	63,196	66,759	68,752	70,311	70,248	69,478	-1%
Total debt / EBITDA (x)	12.9x	14.0x	14.6x	14.0x	13.9x	13.8x	
Net debt / EBITDA (x)	12.1x	13.5x	13.8x	13.4x	13.2x	13.0x	
EBITDA / net interest (x)	4.6x	4.4x	4.5x	4.9x	4.9x	5.0x	
FFO / net debt (%)	6.1%	5.4%	5.3%	5.6%	5.7%	5.7%	
Gross LTV	42.4%	42.7%	44.4%	43.4%	42.9%	42.5%	
Net LTV	39.8%	41.1%	41.7%	41.4%	40.7%	40.1%	
Property							
Net acquisitions							
Investments in existing properties	-1,069	-1,659	-945	-1,156	-950	-1,030	
Property revaluation	345	1,946	1,637	3,889	1,656	2,553	
Yield	4.16%	4.12%	4.08%	4.03%	4.00%	3.97%	
Operating costs							
Central administration	-28	-29	-33	-40	-30	-32	8%
Running costs	-158	-185	-208	-178	-176	-173	-2%
Repairs and maintenance	-27	-28	-26	-29	-26	-21	-19%
Property administration	-80	-90	-87	-99	-82	-72	-12%
Property taxes	-170	-155	-164	-163	-164	-168	2%
Leasehold rents	-39	-40	-40	-40	-40	-40	-1%
Total property costs	-474	-498	-525	-509	-488	-474	-3%

Source: Company data, SEB DCM Research estimates

Financial forecasts

We make only minor estimate revisions following the Q3 report, including small adjustments to our base-case assumptions regarding revenue growth, CAPEX assumptions and financing cost. We assume most of the future rental growth will come from the high-quality development portfolio (84% occupancy rate in the development). The uncertainty around our base-case financial forecasts relates to the timing, type, and magnitude of future developments. Given that Vasakronan builds on a pre-let basis, the timing of construction starts depends on leasing activities. Furthermore, our forecast is also sensitive to changes in inflation and interest rates. Nevertheless, we continue to forecast ample headroom to Moody's rating requirements.

Vasakronan LTM financial accounts and forecast, SEB DCM Research base case

(SEKm)	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	2018	2019	2020	2021E	2022E	2023E
Rental income	7,042	7,006	7,060	7,199	7,284	6,718	7,040	7,006	7,371	7,788	8,135
NOI	5,051	5,032	5,078	5,193	5,278	4,869	5,060	5,032	5,338	5,639	5,902
EBITDA	5,221	4,961	5,000	5,253	5,332	4,942	5,268	4,961	5,390	5,505	5,768
FFO	3,864	3,608	3,666	3,917	3,979	3,761	3,899	3,608	4,152	4,280	4,482
Y/Y growth in rental income (%)	1%	0%	0%	2%	3%	4%	5%	0%	5%	6%	4%
NOI margin (%)	72%	72%	72%	72%	72%	72%	72%	72%	72%	72%	73%
EBITDA margin (%)	74%	71%	71%	73%	73%	74%	75%	71%	73%	71%	71%
Interest expense	-1,134	-1,127	-1,118	-1,089	-1,074	-1,046	-1,135	-1,127	-1,090	-1,163	-1,220
Net interest expense	-1,125	-1,118	-1,111	-1,083	-1,070	-1,043	-1,131	-1,118	-1,083	-1,154	-1,213
Hybrid / preferred interest / dividends	0	0	0	0	0	0	0	0	0	0	0
Adjusted interest expense	-1,282	-1,276	-1,269	-1,242	-1,230	-1,189	-1,278	-1,276	-1,237	-1,317	-1,396
Investment properties	158,641	162,420	164,819	169,863	173,471	138,934	156,071	162,420	176,180	182,262	188,363
Total debt	67,292	69,317	73,167	73,700	73,763	61,087	66,638	69,317	72,081	74,881	77,381
Cash and equivalents	4,096	2,558	4,415	3,389	4,285	2,215	3,515	2,558	3,397	2,865	2,285
Net debt	63,196	66,759	68,752	70,311	69,478	58,872	63,123	66,759	68,684	72,015	75,096
Hybrid / preferred debt / capital	0	0	0	0	0	0	0	0	0	0	0
Adjusted debt	68,362	71,923	73,915	75,472	74,638	58,872	68,367	71,923	73,848	77,179	80,260
Secured debt	10,971	10,971	9,969	9,467	7,866	12,907	11,603	10,971	8,881	8,881	8,881
Equity	71,610	70,869	73,186	75,401	78,552	60,271	70,156	70,869	79,809	81,290	82,972
Adjusted equity	71,610	70,869	73,186	75,401	78,552	60,271	70,156	70,869	79,809	81,290	82,972
Net debt+equity	134,806	137,628	141,938	145,712	148,030	119,143	133,279	137,628	148,493	153,305	158,067
Credit metrics											
Total debt / EBITDA (x)	12.9x	14.0x	14.6x	14.0x	13.8x	12.4x	12.6x	14.0x	13.4x	13.6x	13.4x
Net debt / EBITDA (x)	12.1x	13.5x	13.8x	13.4x	13.0x	11.9x	12.0x	13.5x	12.7x	13.1x	13.0x
Adjusted debt / EBITDA (x)	12.7x	14.1x	14.3x	13.9x	13.6x	11.6x	12.6x	14.1x	13.3x	13.6x	13.5x
EBITDA / interest (x)	4.6x	4.4x	4.5x	4.8x	5.0x	4.7x	4.6x	4.4x	4.9x	4.7x	4.7x
EBITDA / net interest (x)	4.6x	4.4x	4.5x	4.9x	5.0x	4.7x	4.7x	4.4x	5.0x	4.8x	4.8x
EBITDA / adjusted interest (x)	4.2x	4.0x	4.1x	4.4x	4.5x	4.3x	4.2x	4.0x	4.5x	4.3x	4.3x
Fixed charge coverage (x)	0.4x	0.3x	0.3x	0.3x	0.4x	0.3x	0.4x	0.3x	5.0x	4.8x	4.8x
FFO / total debt (%)	5.7%	5.2%	5.0%	5.3%	5.4%	6.2%	5.9%	5.2%	5.8%	5.7%	5.8%
FFO / net debt (%)	6.1%	5.4%	5.3%	5.6%	5.7%	6.4%	6.2%	5.4%	6.0%	5.9%	6.0%
FFO / adjusted debt (%)	5.9%	5.2%	5.2%	5.4%	5.5%	6.6%	5.9%	5.2%	5.8%	5.8%	5.8%
Gross LTV	42.4%	42.7%	44.4%	43.4%	42.5%	44.0%	42.7%	42.7%	40.9%	41.1%	41.1%
Net LTV	39.8%	41.1%	41.7%	41.4%	40.1%	42.4%	40.4%	41.1%	39.0%	39.5%	39.9%
Adjusted LTV	41.7%	42.9%	43.5%	43.1%	41.8%	42.4%	42.4%	42.9%	40.7%	41.2%	41.5%
Net debt / debt+equity	46.9%	48.5%	48.4%	48.3%	46.9%	49.4%	47.4%	48.5%	46.3%	47.0%	47.5%
Adjusted debt / debt + equity	50.7%	52.3%	52.1%	51.8%	50.4%	49.4%	51.3%	52.3%	49.7%	50.3%	50.8%
Secured LTV	6.9%	6.8%	6.0%	5.6%	4.5%	9.3%	7.4%	6.8%	5.0%	4.9%	4.7%
Equity ratio	41.2%	40.2%	40.4%	40.8%	41.6%	41.5%	41.2%	40.2%	41.8%	41.4%	41.1%

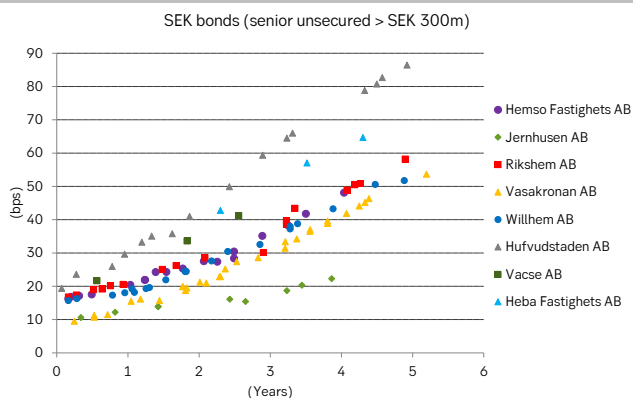
Source: Company data, SEB DCM Research estimates

Relative value and SEB view

Fairly valued SEK bonds given slighter better rating resilience than peers

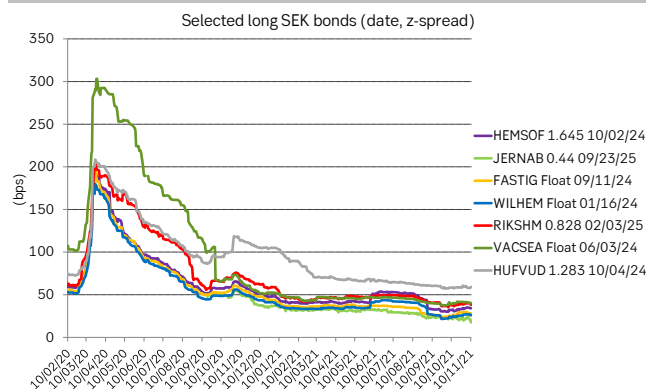
Vasakronan's SEK bonds are trading slightly tighter than government and partly government-owned peers such as Rikshem (A3/Stable), Hemsö and Willhem (both rated A-/Stable), but somewhat wider than Jernhusen (A/Stable). Overall, we view Vasakronan's bonds as fairly valued, underpinned by stronger rating resilience and lower LTV than peers. Vasakronan has a diverse mix of funding and the company has successfully reduces its share of secured bank debt, predominantly replaced by unsecured green bonds. Furthermore, access to debt capital is good, benefitting from a global investor base, not dependent on a single bond market.

Relative value comparison, selected A SEK bonds



Source: SEB, Bloomberg

Historical spread evolution, selected long A SEK bonds

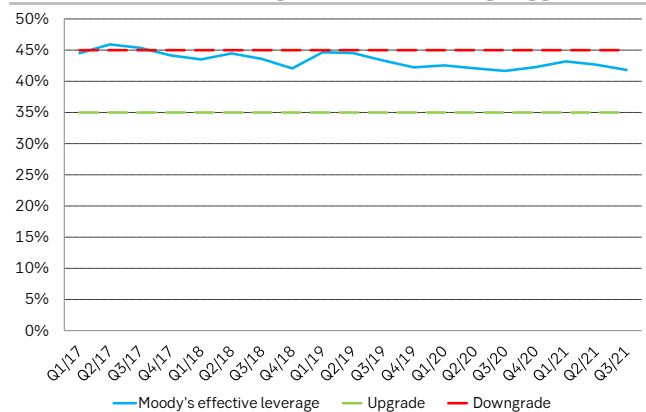


Source: SEB, Bloomberg

Adequate headroom to Moody's A3 ratio requirements

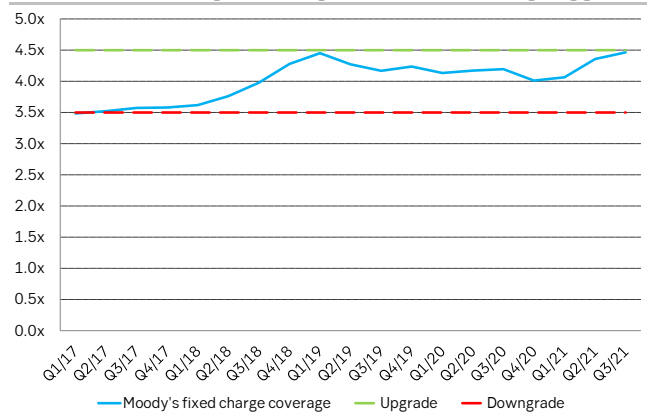
We calculate decent headroom to the current A3 rating. Vasakronan is required to maintain adjusted leverage of 35%-45% (41.8% at end-Q3/21) and fixed-charge coverage above 3.5x (4.5x at end-Q3/21), translating into adequate ratio headroom.

Moody's effective leverage and current rating triggers



Source: SEB, Moody's

Moody's fixed charge coverage and current rating triggers



Source: SEB, Moody's

Change of ownership or changes in regulations could lead to rating changes

Any weakening in financial support from the AP funds (change of ownership or changes in regulations), or conversely an explicit guarantee of debt from the owners are factors that could lead to a downgrade or, respectively, an upgrade." That said, according to our understanding, there are no plans among the AP funds to reduce their interest in Vasakronan, which they effectively consider to be of strategic nature given the size of investments.

Long-term credit profile

Vasakronan's credit profile and the A3/Stable Moody's rating are underpinned by the company's very large portfolio and dominant position in central office locations in major Swedish cities. The rating is also supported by the indirect government ownership, a good liquidity position and a high interest coverage. Conversely, Vasakronan is geographically concentrated in Sweden and it engages in development activities, some speculative.

SEK 173bn commercial portfolio located in Sweden's four largest cities

Largest real estate company in Sweden

With a property portfolio valued at about SEK 173bn, Vasakronan is Sweden's largest real estate company. The portfolio consists of about 170 properties located in central locations in Stockholm, Gothenburg, Uppsala, and Malmö/Lund. Vasakronan, in its current form, was established in 2008. The company operates in Sweden's most attractive office markets, focusing on high-quality and sustainable office buildings in prime locations. About 23% of the annual rental income derives from public sector tenants, which we consider to be a meaningful share. Vasakronan is owned by the Swedish pension fund (AP1-4) and, consequently, is indirectly owned by the Swedish government. Moody's applies a one-notch uplift to its ratings reflecting the likelihood of extraordinary government support.

Pioneer within the sustainability area

Vasakronan is a pioneer within the sustainability area, after having issued the world's first green corporate bond in 2013 and first green commercial paper in 2018, where the funds raised are earmarked for green assets. As of end-Q3/21, green funding consisting of green bonds, green CPs and green loans amounted to 71% of the total debt portfolio. At the same date, 93% of its total lettable area was environmentally certified, of which 82% was rated LEED Gold or higher. Furthermore, Vasakronan's diversified funding sources, global investor base and green asset pool underpins good access to financing.

A3 rating supported by ownership structure

A3/Stable by Moody's since May 2018

Vasakronan has been rated A3 by Moody's since May 2018. The rating is underpinned by Vasakronan's large property portfolio with a dominant market position in the prime office segment, its high-quality assets, and its high share of public tenants. The rating agency also considers additional strengths, for example the company's strong liquidity position and good interest coverage. Secured LTV is low at about 4.5%. This is sufficiently low not to warrant any notching from the issuer rating under rating agency methodology. The A3 rating includes a one-notch uplift relating to the likelihood of extraordinary government support.

Conversely, Moody's believes that Vasakronan is exposed to potential regulatory changes which could limit the AP funds' exposure to real estate. Moody's also highlights a geographic concentration to Sweden and a moderate development pipeline as factors which counterbalance credit strengths.

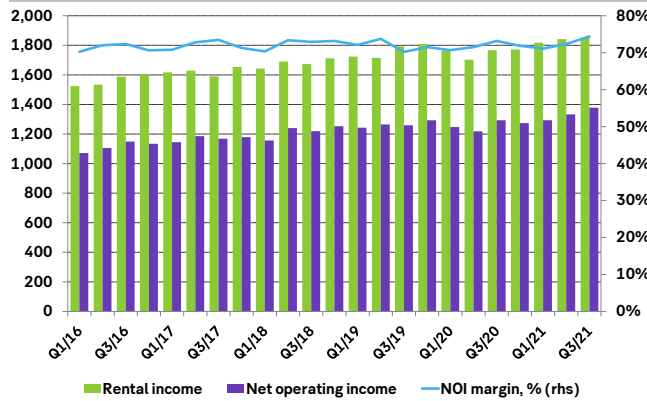
Rating affirmed with stable outlook in May 2021

Stable outlook and ratings leeway appear adequate

Vasakronan's A3/Stable rating was affirmed by Moody's in May 2021. The stable outlook reflects Moody's expectations of no significant impact on values or metrics coming from COVID-19. Moody's expects the adjusted debt-to-asset ratio to stay well below 45% over the near term. We estimate the corresponding ratio at 41.8% at Q3/21, and we also expect it to remain below 45% in our financial base case. The 12M interest rate coverage is also adequate in relation to the ratings requirement, standing at 5.0x per end-Q3 2021, against a minimum of 3.5x required by Moody's in order to avoid ratings pressure.

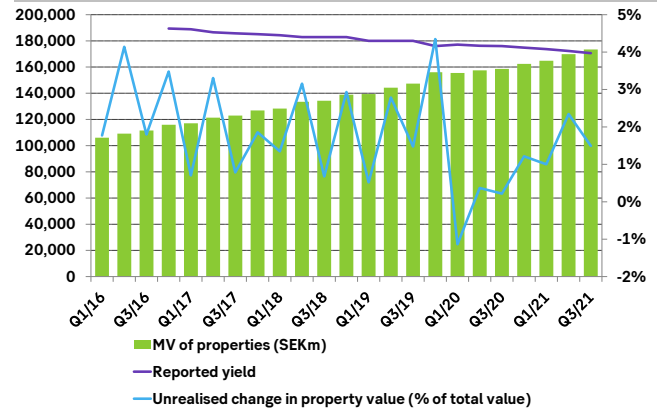
Company overview

Quarterly rental income and NOI (SEKm)



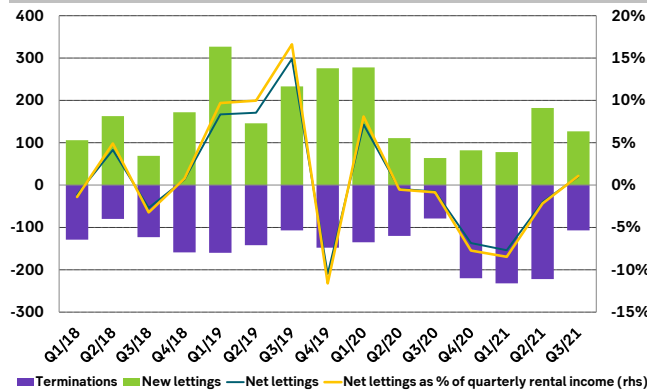
Source: Company reports

Property portfolio statistics (SEKm)



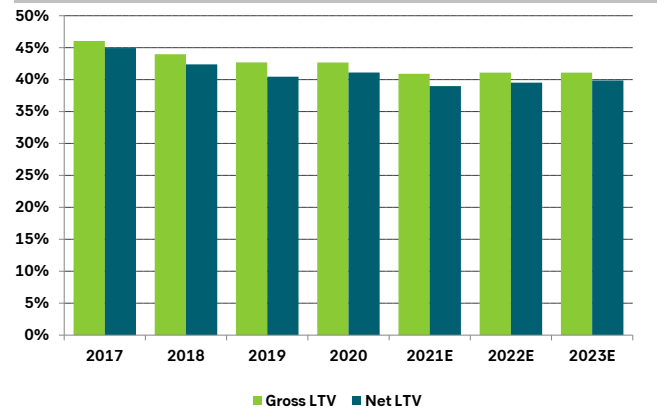
Source: Company reports

Historical evolution of net leasing per quarter (SEKm)



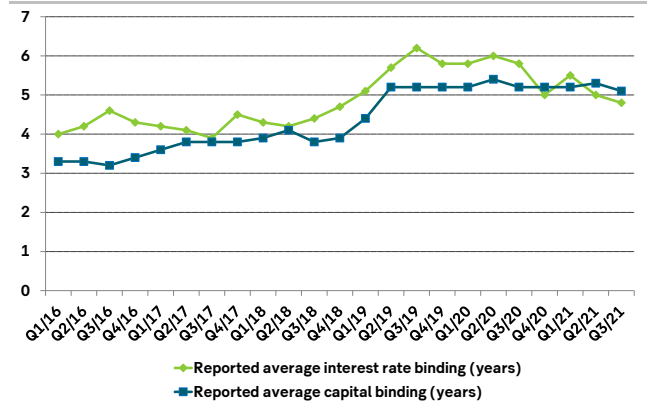
Source: Company reports

LTV (%)



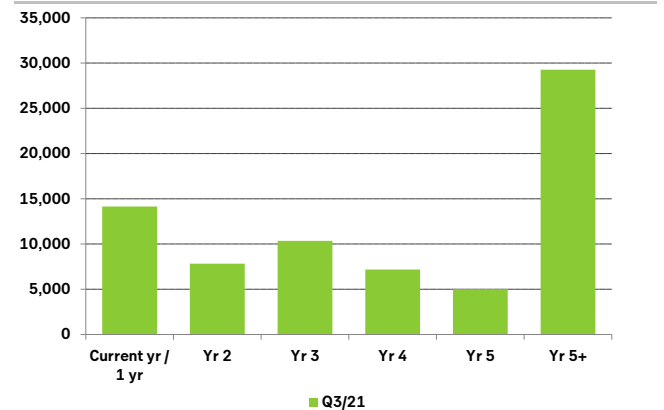
Source: SEB

Capital and interest binding (years)



Source: Company reports

Debt maturity profile (SEKm)



Source: Company report

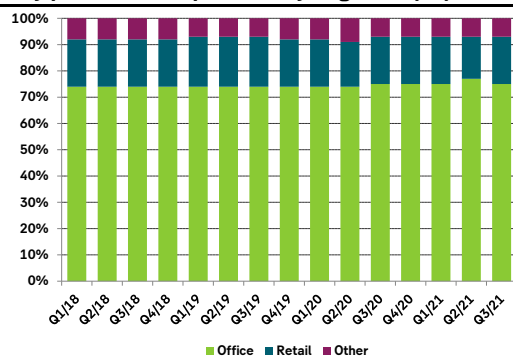
Credit strengths

- Large portfolio and high-quality property portfolio
- Indirectly owned by the Swedish government through AP1-4
- Strong liquidity, including commitment from owners
- Meaningful share of public sector tenants (about 23%)
- Strong interest coverage and LTV

Credit concerns

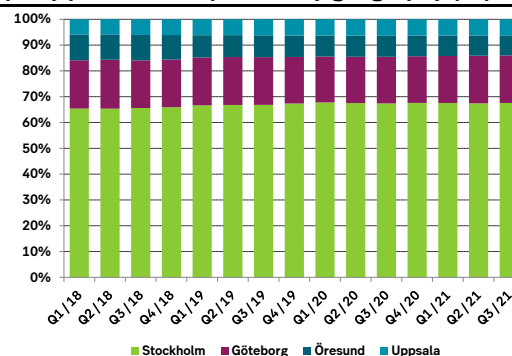
- Geographically concentrated to Sweden
- Exposed to commercial property segments where rent levels can be volatile
- Modest retail exposure, albeit attractive locations
- Engages in development activities with varying degree of speculation

Property portfolio composition by segment (%)



Source: Company reports

Property portfolio composition by geography (%)



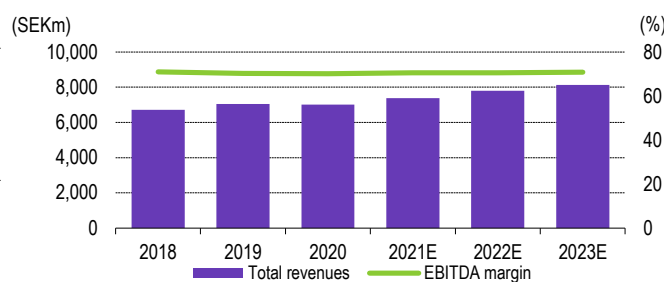
Source: Company reports

Financial statement summary - Adjusted numbers (SEKm)

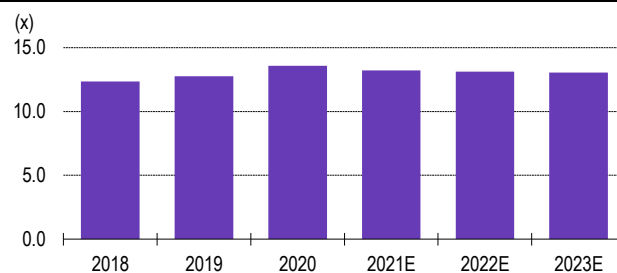
Income statement	2019	2020	2021E	2022E
Revenues	7,040	7,006	7,371	7,788
EBITDA	4,947	4,914	5,196	5,493
Net income (reported)	13,909	3,715	10,940	4,981
Cash flow statement	2019	2020	2021E	2022E
Funds from operations (FFO)	3,973	3,581	4,140	4,268
Operating Cash Flow	4,138	3,852	4,140	4,268
Free Operating cash flow	256.0	-1,445	75.4	168.2
Pre-financing cash flow	-3,744	-4,445	-1,925	-3,332
Balance sheet	2019	2020	2021E	2022E
Cash (and equivalents)	3,515	2,558	3,397	2,865
Total debt	66,638	69,317	72,081	74,881
Net debt	63,123	66,759	68,684	72,015
Equity	70,156	70,869	79,809	81,290
Total assets (reported)	170,179	176,226	190,861	196,477
Key credit metrics & ratios	2019	2020	2021E	2022E
Net debt to EBITDA (x)	12.8	13.6	13.2	13.1
Net debt to capital	47%	49%	46%	47%
FFO / Net debt	6%	5%	6%	6%
Equity ratio	41%	40%	42%	41%

Source: SEB and Vasakronan financial reports

Revenues and EBITDA margin



Adjusted net debt / EBITDA



Source: SEB and Vasakronan financial reports

Profit & loss statement

(SEKm)	2016	2017	2018	2019	2020	2021E	2022E	2023E
Total revenues	6,251	6,490	6,718	7,040	7,006	7,371	7,788	8,135
Total expenses	-1,879	-1,909	-1,950	-2,093	-2,092	-2,175	-2,295	-2,380
EBITDA	4,372	4,581	4,768	4,947	4,914	5,196	5,493	5,756
Depreciation	0	0	0	0	0	0	0	0
Intangibles amortisation	0	0	0	0	0	0	0	0
EBIT	4,372	4,581	4,768	4,947	4,914	5,196	5,493	5,756
Associated companies	-3	-3	159	1,105	-219	168	65	50
Net interest expenses	-1,152	-1,165	-1,043	-1,131	-1,118	-1,083	-1,154	-1,213
Value changes	11,274	8,415	10,602	12,308	1,244	9,745	1,982	2,050
Other financial items	0	0	0	0	0	0	0	0
Reported pre-tax profit	14,491	11,828	14,486	17,229	4,821	14,026	6,386	6,643
Minority interests	0	0	0	0	0	0	0	0
Total taxes	-3,019	-2,559	-1,584	-3,320	-1,106	-3,086	-1,405	-1,462
Net profit	11,472	9,269	12,902	13,909	3,715	10,940	4,981	5,182
EBITDA margin	69.9	70.6	71.0	70.3	70.1	70.5	70.5	70.8
EBIT margin (%)	69.9	70.6	71.0	70.3	70.1	70.5	70.5	70.8
Tax rate (%)	20.8	21.6	10.9	19.3	22.9	21.6	10.9	19.3
Growth rates y-o-y (%)								
Total revenues	0.0	3.8	3.5	4.8	(0.5)	5.2	5.7	4.5
EBITDA	n.a.	4.8	4.1	3.8	(0.7)	5.7	5.7	4.8
EBIT	0.0	4.8	4.1	3.8	(0.7)	5.7	5.7	4.8
Pre-tax profit	0.0	(18.4)	22.5	18.9	(72.0)	190.9	(54.5)	4.0

Cash flow

(SEKm)	2016	2017	2018	2019	2020	2021E	2022E	2023E
FFO	3,137	3,383	3,729	3,973	3,581	4,140	4,268	4,470
Changes in working capital	302	0	271	165	271	0	0	0
Operating cash flow	3,439	3,383	4,000	4,138	3,852	4,140	4,268	4,470
Net capital expenditures	23	-2,985	-1,459	-3,882	-5,297	-4,065	-4,100	-4,050
Free operating cash flow	3,462	398	2,541	256	-1,445	75	168	420
Dividend paid	-7,382	-4,000	-4,000	-4,000	-3,000	-2,000	-3,500	-3,500
Acquisitions, divestments net	0	0	0	0	0	0	0	0
Pre-financing cash flow	-3,920	-3,602	-1,459	-3,744	-4,445	-1,925	-3,332	-3,080
Net loan proceeds	4,285	3,237	2,735	5,379	3,764	2,764	2,800	2,500
Share issue	0	0	0	0	0	0	0	0
Other	-519	-359	-484	-335	-277	0	0	0
Net change in cash	-154	-724	792	1,300	-958	839	-532	-580
Capex/sales (%)	-0.4	46.0	21.7	55.1	75.6	55.1	52.6	49.8

Balance sheet

(SEKm)	2016	2017	2018	2019	2020	2021E	2022E	2023E
Cash and liquid assets	2,147	1,423	2,215	3,515	2,558	3,397	2,865	2,285
Other current assets	909	871	905	1,176	1,234	1,234	1,234	1,234
Long-term financial assets	907	969	1,058	2,150	2,807	2,843	2,908	2,958
Fixed tangible assets	115,922	126,875	138,934	161,314	167,583	181,343	187,425	193,526
Intangibles	2,171	2,145	2,089	2,024	2,044	2,044	2,044	2,044
Total assets	122,056	132,283	145,201	170,179	176,226	190,861	196,477	202,047
Interest bearing debt	55,240	58,421	61,087	66,638	69,317	72,081	74,881	77,381
Other liabilities	20,699	22,485	23,843	33,385	36,040	38,971	40,306	41,694
Minority interests	0	0	0	0	0	0	0	0
Shareholders' equity	46,117	51,377	60,271	70,156	70,869	79,809	81,290	82,972
Total liabilities and equity	122,056	132,283	145,201	170,179	176,226	190,861	196,477	202,047
Net debt (m)	53,093	56,998	58,872	63,123	66,759	68,684	72,015	75,096
Net debt/equity (%)	115.1	110.9	97.7	90.0	94.2	86.1	88.6	90.5
Equity/total assets (%)	37.8	38.8	41.5	41.2	40.2	41.8	41.4	41.1
Net debt/EBITDA (x)	12.1	12.4	12.3	12.8	13.6	13.2	13.1	13.0
EBITDA Interest cover	3.8	3.9	4.6	4.4	4.4	4.8	4.7	4.7

Main shareholders

Name	(%)	Votes	Capital	Management		Company information	
Name				Title	Name	Contact	
Swedish National Pension Funds	100.0	100.0		COB	Ulrika Francke	Internet	www.vasakronan.se
				CEO	Johanna Skogestig	Phone number	+46 8 783 2100
				CFO	Christer Nerlich		

Company description: Vasakronan is Sweden's largest real estate company with its SEK 173bn valued portfolio. It was created in 2008 through AP Fastigheter's acquisition of the "old" Vasakronan from the Swedish government. Vasakronan's strategy is to be a long-term owner of commercial real estate properties in regions enjoying high economic growth, mainly Stockholm, Gothenburg, Öresund and Uppsala. At end of Q3 2021, offices accounted for 75% of the asset value, retail 18% and 7% other.

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