

A modern office interior with a glass wall. In the foreground, a person is blurred while walking. Behind the glass, a man and a woman are sitting at a table, looking at a laptop. The man is wearing a checkered shirt and the woman is wearing a striped shirt. A bicycle is parked in the foreground on the left. The office has a concrete ceiling with exposed pipes and modern lighting fixtures.

**21 MARCH 2019**

# **PARETO SECURITIES' NORDIC CORPORATE BOND CONFERENCE**



# AGENDA

**PART 1 – COMPANY PRESENTATION & BUSINESS RATIONALE**

**PART 2 – FINANCIAL REPORT JAN - DEC 2018**

**PART 3 – CONTINUED GROWTH**



# **PART 1**

## **COMPANY PRESENTATION & BUSINESS RATIONALE**

# COMPANY PRESENTATION & BUSINESS RATIONALE

## BUSINESS IDEA AND OBJECTIVES

### BUSINESS IDEA

Stendörren creates long-term growth and value creation by acquiring, developing and managing properties within the greater Stockholm region, with focus on the segments warehouse and light industrial.

### OVERALL OBJECTIVES

Stendörren creates high risk-adjusted return for its shareholders by acquiring, developing and managing properties.

### FINANCIAL OBJECTIVES

Demonstrate an average long-term annual return on equity of at least 12%.

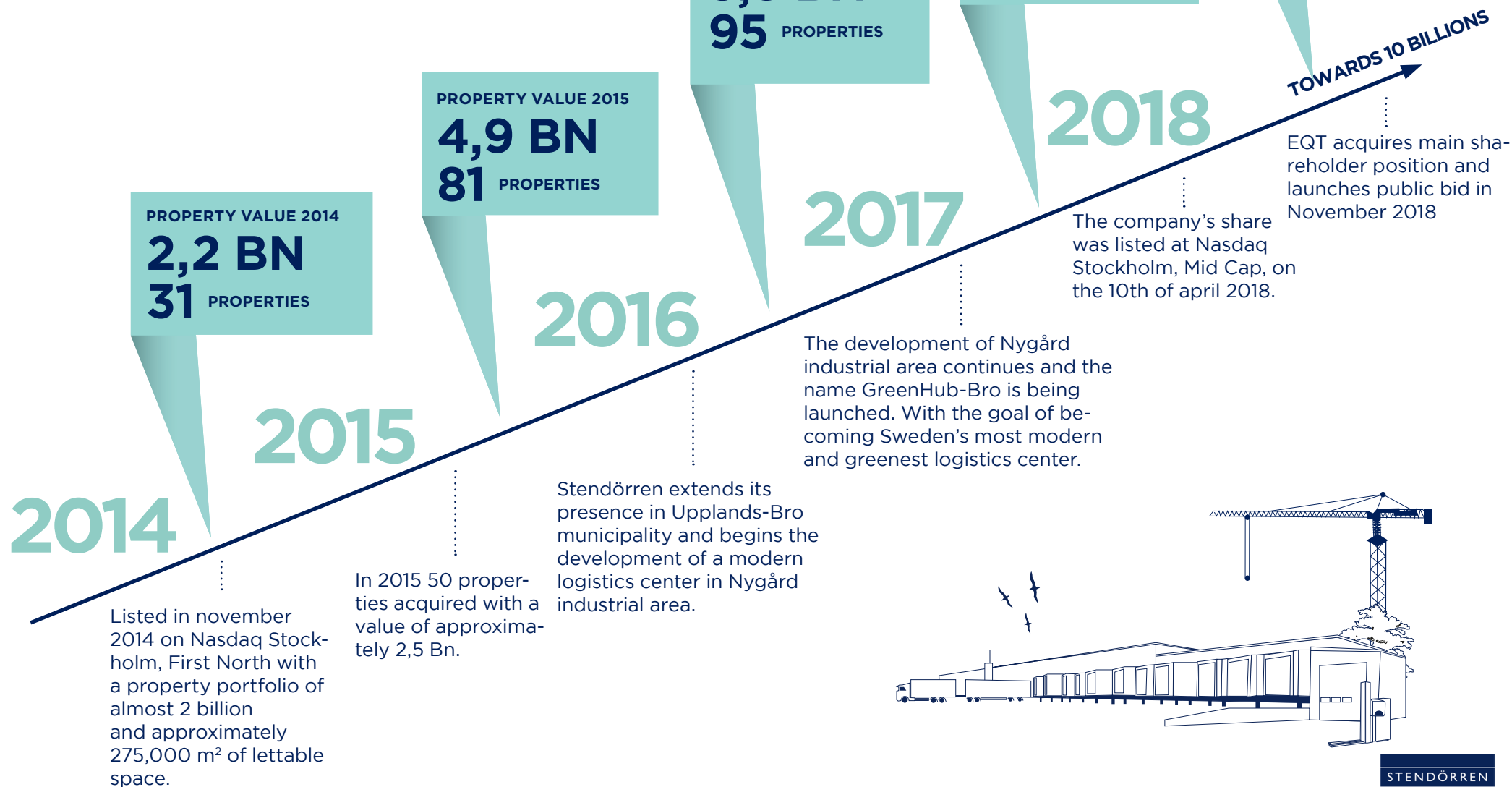
A long-term interest coverage ratio of at least 2,0x.

The long-term equity ratio shall be 35% (never lower than 20%).



# HISTORY IN SHORT

SNAPSHOT OF STENDÖRREN



# COMPANY PRESENTATION & BUSINESS RATIONALE

ORGANISATION - GEARED FOR GROWTH



# 4 GOOD REASONS TO OWN A STENDÖRREN SHARE

## 1.

### STABLE CASH FLOW

Stendörrens property base is primarily made up by logistics-/warehouse properties or multi-tenanted light industrial properties with low vacancy ratio and long tenant relationships.

## 2.

### SUSTAINABLE GROWTH

Stendörren is active in the strong growth markets of Greater Stockholm and Mälardalen regions. Since the start, our portfolio has more than tripled and the growth prospects are still strong.

## 3.

### VALUE GROWTH IN PROJECT

Our project development team creates opportunities for value growth in strategically located properties with value potential through new zoning plans and new production.

## 4.

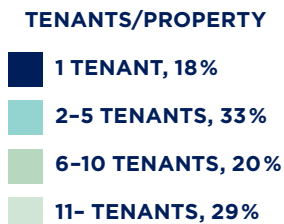
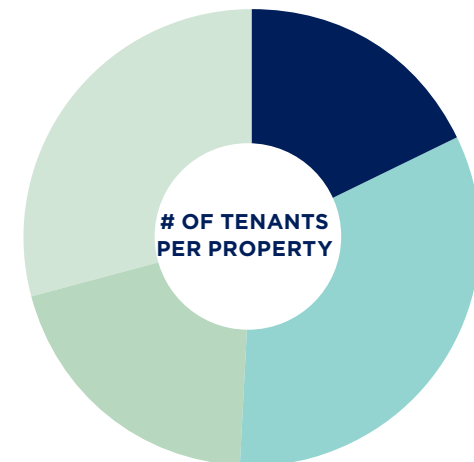
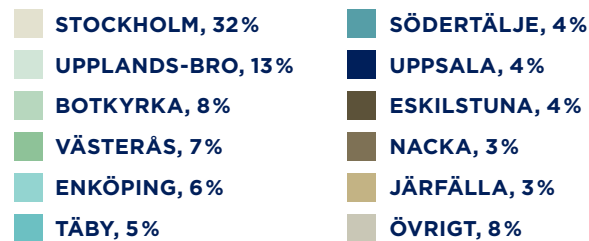
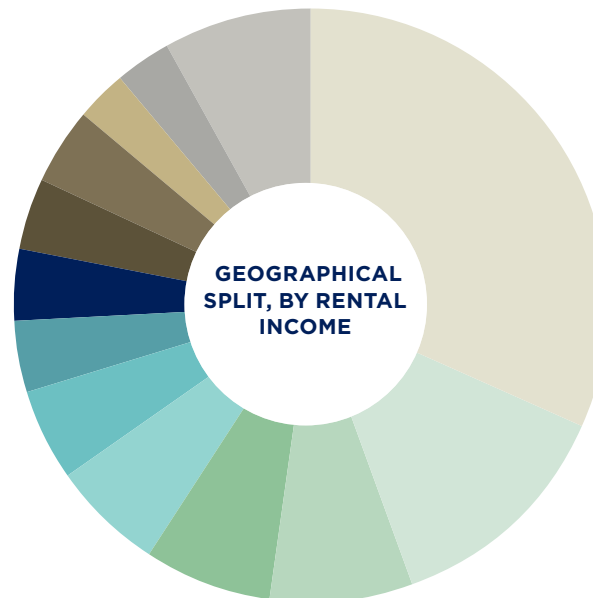
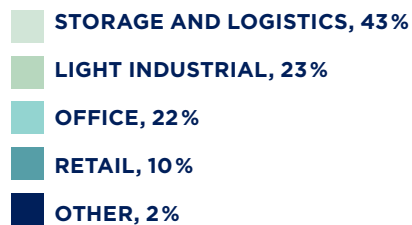
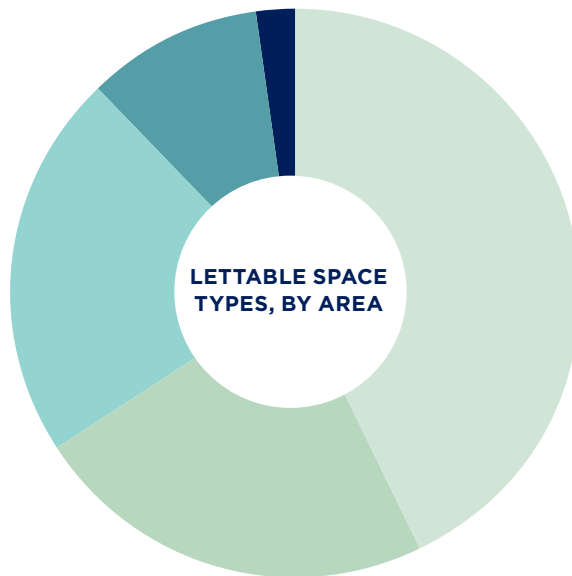
### HIGH AND SAFE RETURN

With a portfolio strategy with the combination of a strong cashflow base and value creation opportunities in the project portfolio we have continuously delivered a high return to our shareholders.



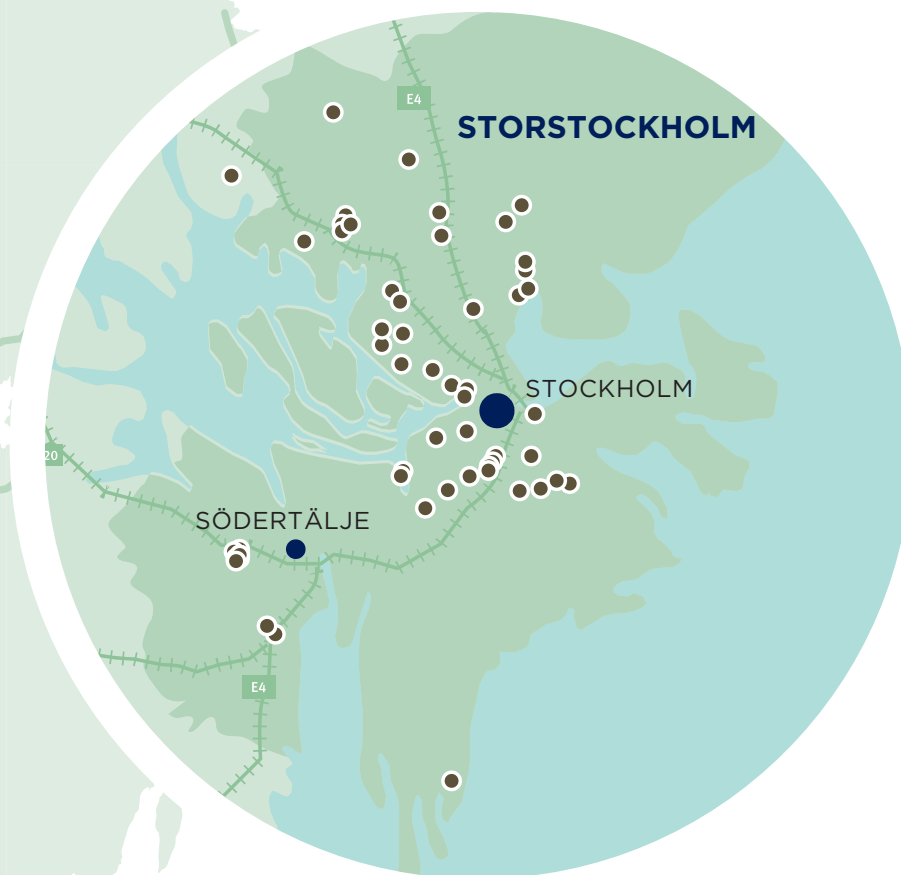
# 1 STABLE CASH FLOW

4 GOOD REASONS TO OWN A STENDÖRREN SHARE



## 2 GOOD GROWTH

4 GOOD REASONS TO OWN A STENDÖRREN SHARE



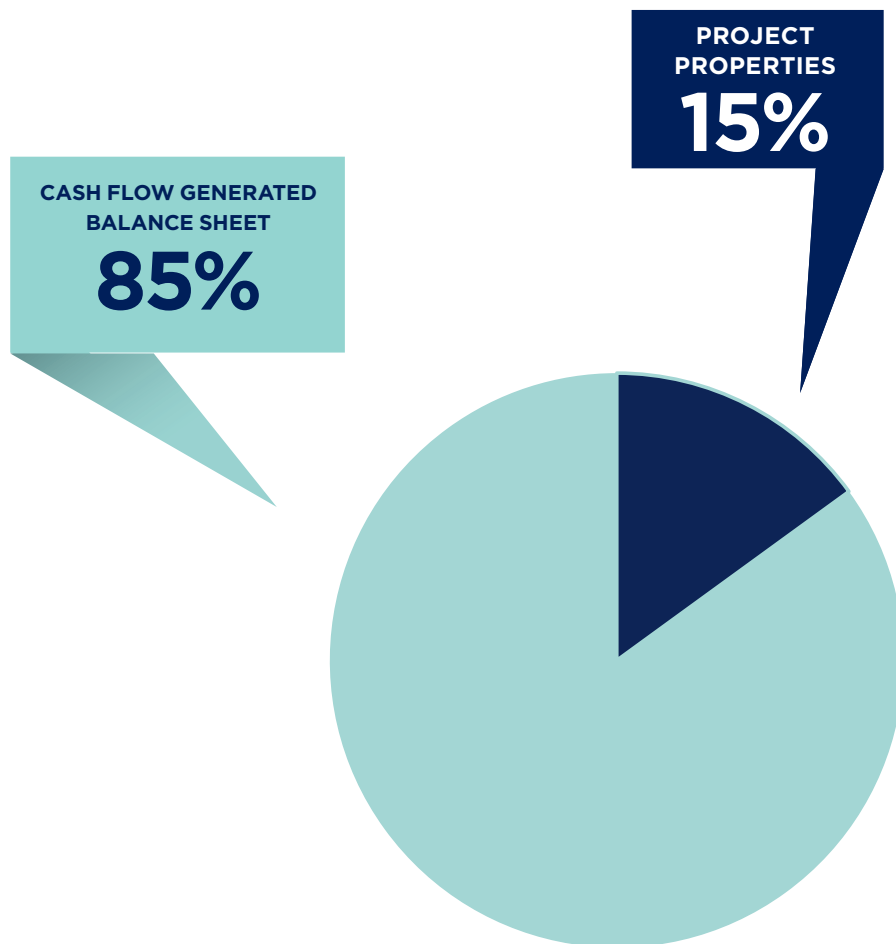
**85%**  
WITHIN GREATER  
STOCKHOLM REGION

### WHY STOCKHOLM?

- Stockholm continuously growing fast.
- Forecasted population growth about 500 000 people by 2030.
- The current job growth is primarily created in the service sector.

# 3 VALUE GROWTH THROUGH PROJECT DEVELOPMENT

4 GOOD REASONS TO OWN A STENDÖRREN SHARE



**"OUR PORTFOLIO OF CASH FLOW  
YIELDING PROPERTIES CAN SUPPORT A  
PROJECT PORTFOLIO OF AT LEAST 15% OF  
THE TOTAL PROPERTY VALUE"**

## BENEFITS

- Having a project management team in-house is a great strength for the running business.
- Project development un-locks hidden values in the properties.
- Substantial ROE potential.

STENDÖRREN

*Lokaler som gör skillnad.*



# 3 VALUE GROWTH IN PROJECT

4 GOOD REASONS TO OWN A STENDÖRREN SHARE

**POINT**  
**NACKA**

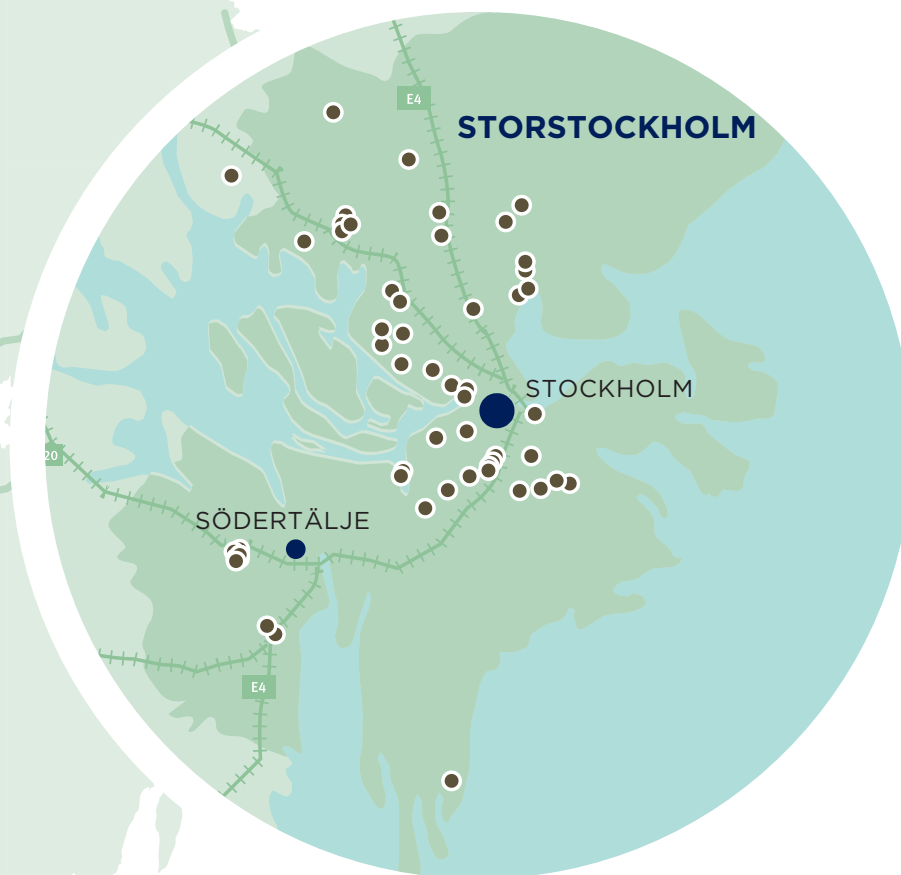
LARGE PROJECTS  
ARE BRANDED





# 4 HIGH AND SAFE RETURN

4 GOOD REASONS TO OWN A STENDÖRREN SHARE



**85%**  
WITHIN GREATER  
STOCKHOLM REGION

## GREATER STOCKHOLM OFFER

- Focus on Stockholm with the highest and most sustainable economic growth in the country.
- More than 600 tenants.
- 5-Year average contract length.
- Diversified dept portfolio with hedging positions to limit interest risks.
- High yielding properties.
- Attention to customer focus with own organization.

The background of the slide is a solid teal color, overlaid with several diagonal lines in a lighter shade of teal, creating a geometric pattern.

## **PART 2**

# **FINANCIAL PERFORMANCE**

## **JAN-DEC 2018**



# FINANCIAL REPORT JAN - DEC 2018

## KEY METRICS

RENTAL VALUE:

**537 MSEK**

NET PROFIT:

**419 MSEK**

PROPERTY VALUE:

**8 476 MSEK**

LTV:

**57 %**

LETTABLE AREA:

**718 000 M<sup>2</sup>**

NET OPERATING INCOME:

**355 MSEK**

EQUITY RATIO:

**32 %**



STENDÖRREN

*Lokaler som gör skillnad.*

# FINANCIAL REPORT JAN - DEC 2018

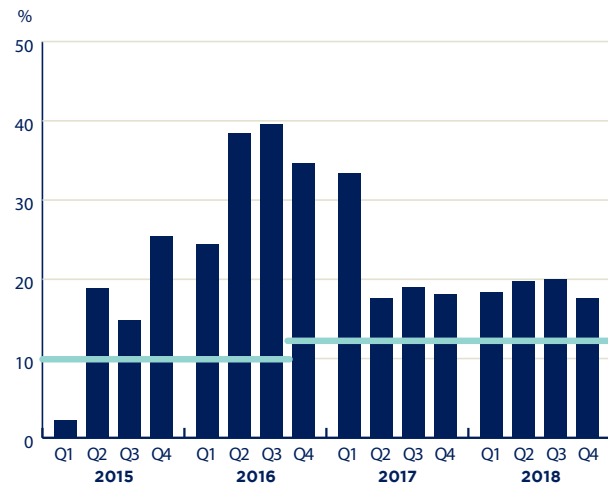
## KEY METRICS

16%

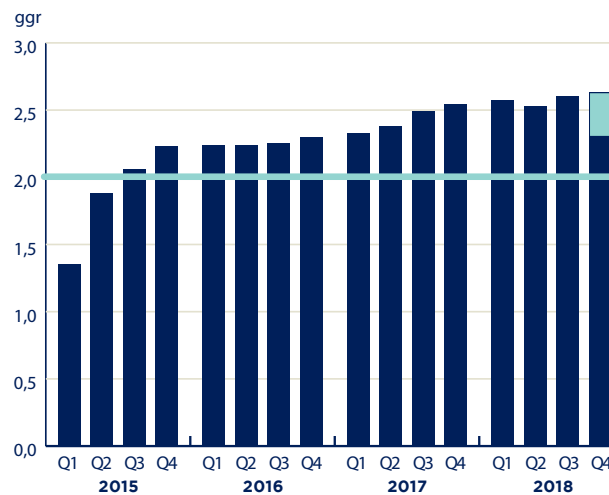
2,3x

32%

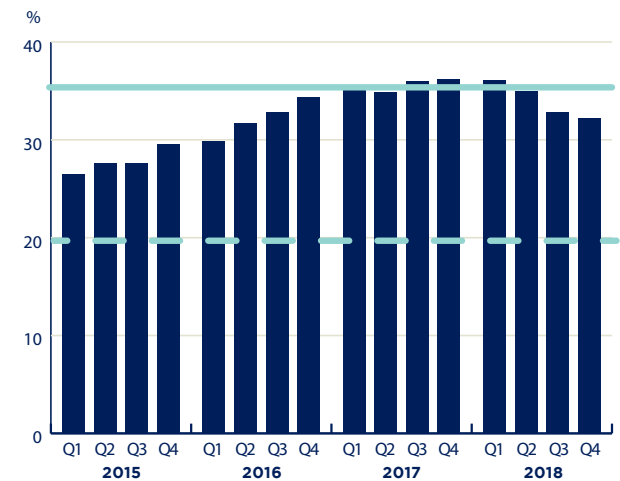
ROE (AVERAGE)



ICR

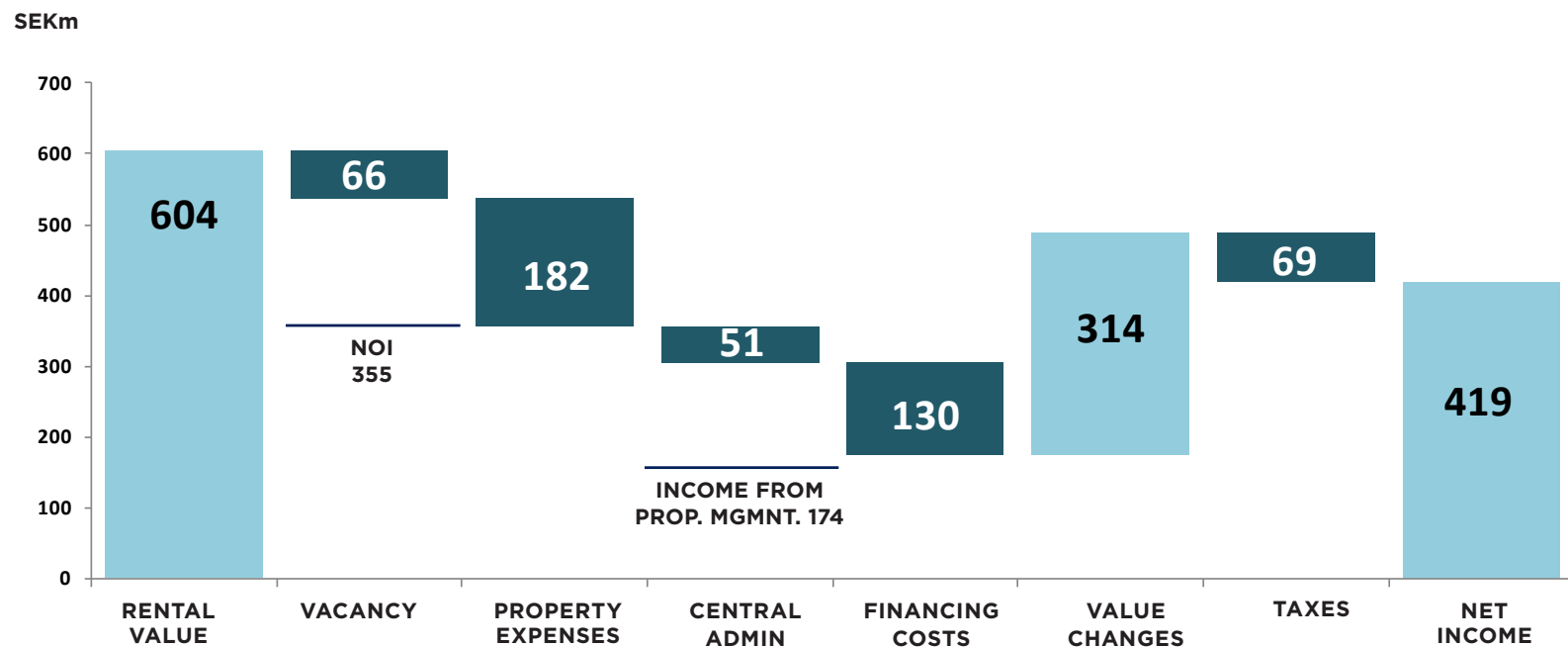


EQUITY RATIO



# FOURTH QUARTER 2018

## NET INCOME WALK



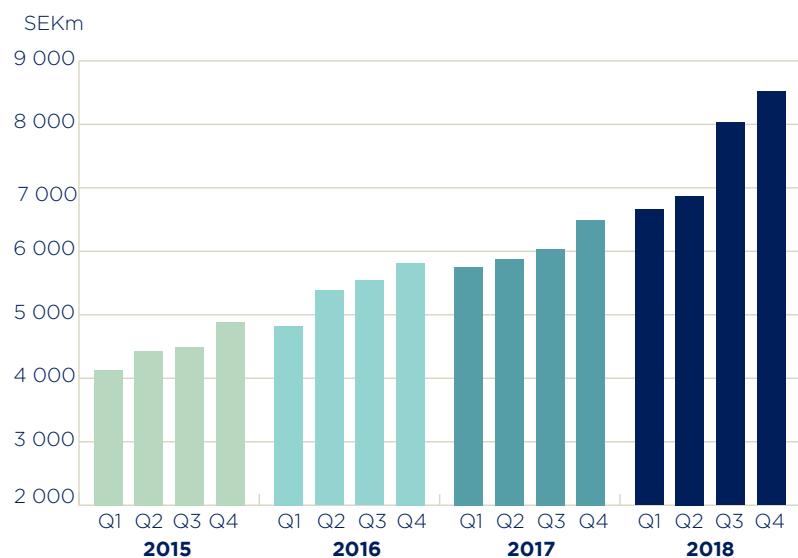


# FORUTH QUARTER 2018

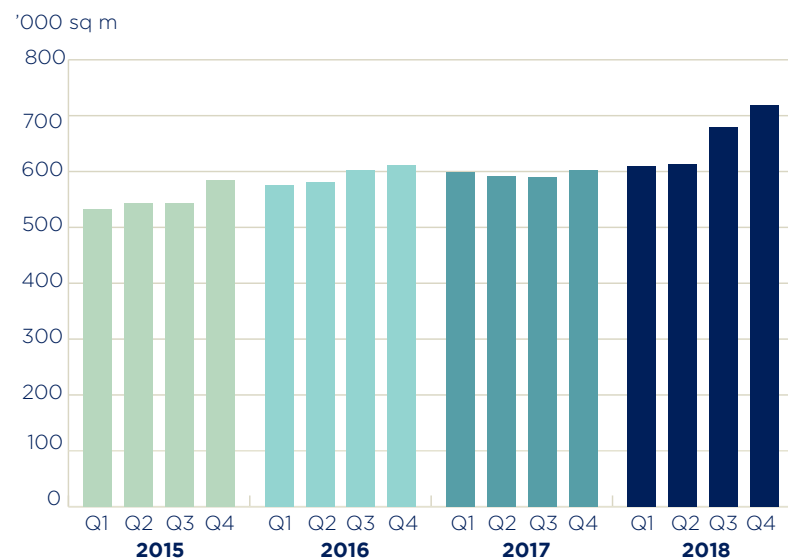
## KEY METRICS

### GROWING PROPERTY PORTFOLIO

#### PROPERTY VALUE



#### LETTABLE AREA

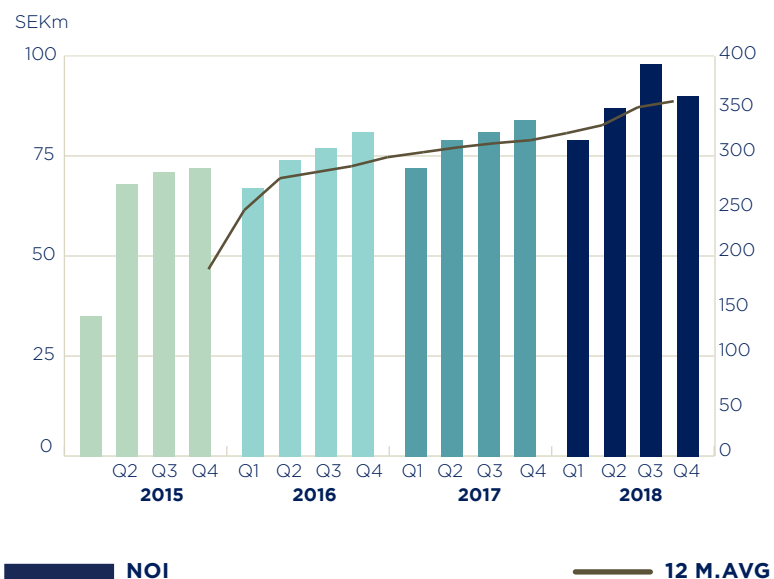


# FOURTH QUARTER 2018

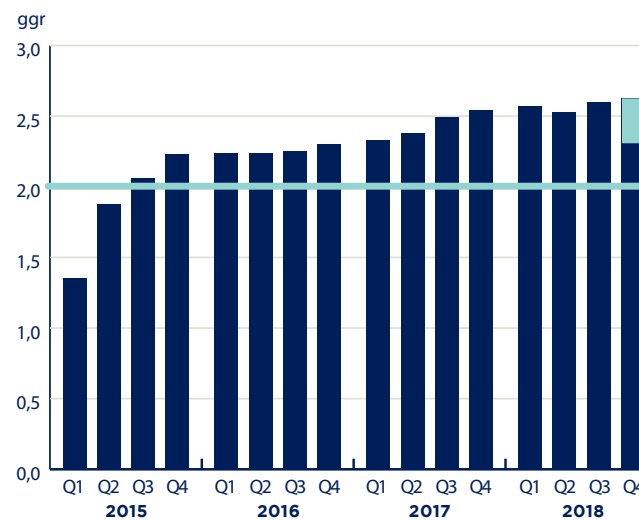
## KEY METRICS

### DEBT SERVICE CAPACITY

#### NET OPERATING INCOME, MSEK

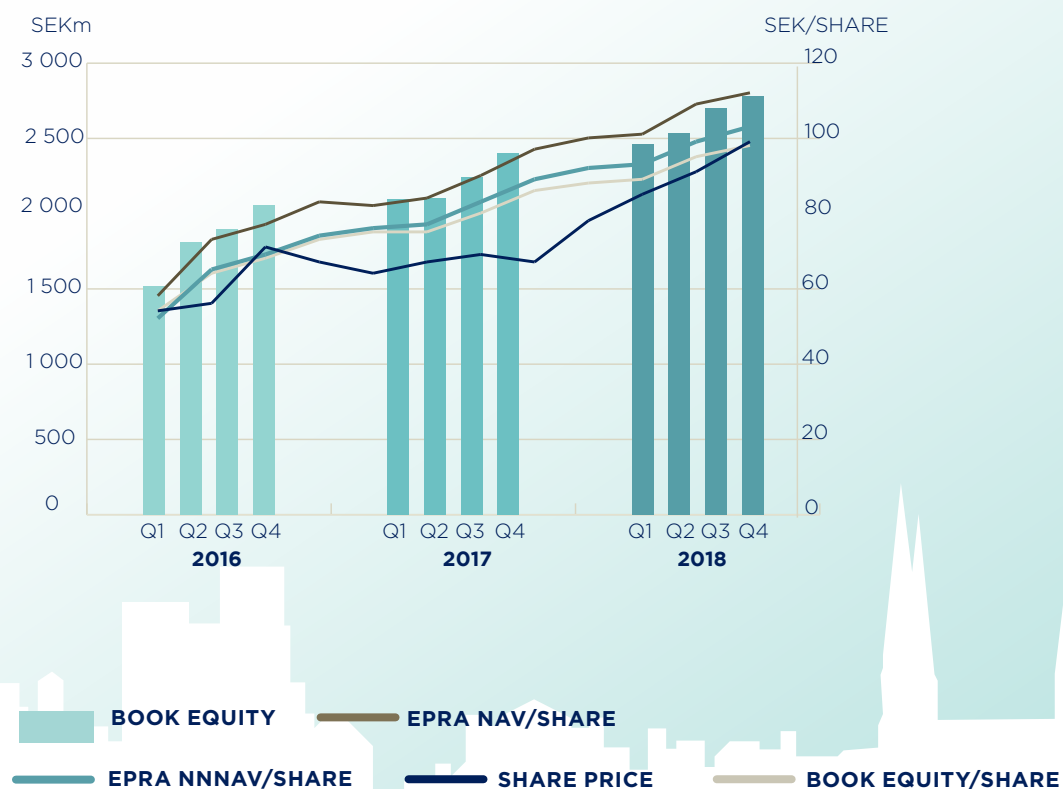


#### INTEREST COVERAGE RATIO



# FOURTH QUARTER 2018

## SHARE VALUE AND KEY EQUITY RATIOS



### KEY EQUITY RATIOS

	JAN-DEC 2018	JAN-DEC 2017
SHARE PRICE, SEK	100,0	68,0
EQUITY PER SHARE, SEK	98,7	86,9
EPRA NNAV PER SHARE, SEK	103,7	90,4
CASHFLOW PER SHARE, SEK	5,2	7,8
MARKET CAP, MSEK	2 816	1 878

# FINANCIAL REPORT JAN - DEC 2018

## DEBT FUNDING OVERVIEW

LOAN MATURITY STRUCTURE 181231 MKR	2019	2020	2021	2022	2023	2024	2025	>2025	SUM	SHARE OF TOTAL
Swedbank	358	612	365	295	636	67	-	-	2 334	44%
Danske Bank	600	-	-	507	-	-	-	-	1 107	21%
Nordea	-	-	-	-	262	-	-	-	262	5%
Sörmlands Sparbank	-	-	-	194	32	-	-	-	225	4%
Sparbanken Enköping	-	-	-	-	-	-	-	11	11	0%
Bonds	-	710	650	-	-	-	-	-	1 360	26%
Sellers notes	2	8	-	5	-	-	-	-	15	0%
				-						
<b>SUM</b>	960	1 330	1 015	1 001	930	67	-	11	5 315	100%
<b>SHARE OF TOTAL</b>	18%	25%	19%	19%	17%	1%	0%	0%	100%	

AVERAGE DEBT MATURITY:  
**2,6 YEARS**

AVERAGE INTEREST MATURITY  
(INCLUDING DERIVATIVES):  
**2,3 YEARS**





# **PART 3**

## **CONTINUED GROWTH**

# CONTINUED GROWTH

## CONTINUED FOCUS



### RATIONALE

- Continued expansion in greater Stockholm and Mälardalen.
- Continued focus on strong cash flow.
- Development properties with focus on customer relations.
- Strengthen our position as an important actor in a growing region.
- Create value by being professional, dedicated and flexible.

# CONTINUED GROWTH

## FUTURE GREEN LOGISTICS CENTER



### ON THE WAY TO FUTURE SUSTAINABLE LOGISTICS



Strategically placed with  
own rail connection



High transshipment  
capacity, high security,  
and truck service center



About 25 minutes to  
Stockholm city and  
28 minutes to enköping  
with the new E18



Operational facilities with  
opportunity for high techno-  
logy and automatizations



Good public transport by bus  
and commuter train



Environmentally certified  
buildings and green leases



A modern, eco-friendly and  
human logistics city,  
attractive to everyone who  
works and stays here



*Lokaler som gör skillnad.*

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