

# Heba

## Still on firm ground

- 6% y-o-y growth in EPRA NRV
- Raising 2026e earnings by 4%
- We see a higher fair value for the shares

### IFPM miss in Q4 2025 not extrapolated into 2026

The Q4 figures were a bit mixed, with somewhat elevated costs, appearing to be partly explained by temporary charges, which seems to be the case when reviewing the updated earnings capacity. Overall, the fourth quarter was relatively quiet, with the exception of one acquisition (from Heba's own joint venture structure), which will add nicely to earnings. No buybacks were completed during Q4, but the mandate from last year's AGM (up to 10% of shares) still allows Heba to repurchase ~4% of outstanding shares, and we continue see buybacks as a relevant tool in 2026.

### Heba is standing on firm ground

Heba continues to stand on firm ground, with a stable financial position and attractive residential property portfolio with relatively low risk, indicated by the non-existent vacancies. In contrast to the implicit property valuation, based on current P/NAV valuation, Heba has posted positive property value changes of SEK 190m during 2025, indicating some sense of stability. With regard to our estimates, we add the completed acquisition (January 2026) and tweak funding costs slightly, which adds 3% to rental income and 4% to earnings, annually.

### Motivated upside in the shares - Buy case reiterated

The market clearly favours real estate exposure with large cash flow streams, stemming from high-yielding properties. In contrast, Heba offer a relatively thin yield gap, as most residential assets do. However, given the depressed share price and moderate growth, we continue to see an attractive risk/reward. We raise our target price to SEK 38 (37) owing to our projected earnings uplift, which reflects a 2027e P/NAV valuation of 0.68x and P/E of 23x.

#### Key figures

SEKm	2023	2024	2025	2026e	2027e
Rental income	566	562	605	643	679
EBITDA adj	365	365	397	426	453
margin (%)	64.5	65.0	65.6	66.3	66.7
Op. net (NOIRE)	402	404	439	468	495
margin (%)	71.0	71.9	72.6	72.8	72.9
Earnings bef value chg	219	224	228	242	256
Income fr property mgmt	219	224	228	242	256
EPS adj (SEK)	1.34	1.34	1.41	1.56	1.65
Y-o-y growth (%)	-7	0	5	10	6
P/E adj (x)	26.5	24.4	21.3	19.3	18.2
P/NAV (x)	0.76	0.70	0.60	0.57	0.54
NAV/share (SEK)	46.4	47.0	50.1	52.9	55.9
ROE adj (%)	3.2	3.4	3.5	3.7	3.7
EV/EBITDA (x)	29.8	30.6	27.3	25.6	24.4
Tot DPS (SEK)	0.52	0.52	0.55	0.56	0.60
Tot div yield (%)	1.5	1.6	1.8	1.9	2.0
Net debt/equity (%)	78.5	89.4	99.0	95.3	92.0
Net debt/EBITDA (x)	13.9	15.8	15.8	14.9	14.3

Source: Handelsbanken

For full disclaimer and definitions, please refer to the end of this report.

#### Target price change

**B** Buy

#### 12 months target return

Target price incl. div (SEK)	38.0
Expected total return (%)	26.5
Of which expected total dividend yield (%)	1.8

#### Key data

Share price	
4 Feb, 17:29 CET (SEK)	30.05
Market cap (SEKm)	4,664
Bloomberg	HEBAB SS
Reuters	HEBA.ST
Web address	<a href="#">Link</a>
CEO	Patrik Emanuelsson
Next event	22 Apr 2026: Q1 report

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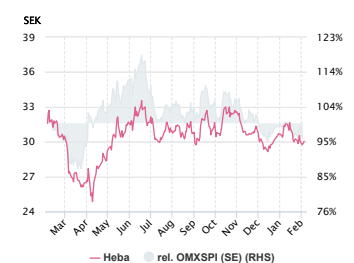
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 johan.edberg@handelsbanken.se

#### Estimate changes

%	2026e	2027e
Rental income	3	3
Inc fr property mgmt	4	4
EPS adj	4	4

Source: Handelsbanken

#### Share price – 12 months



Source: FactSet

Share perf. (%)	-1m	-3m	-12m
Absolute:	-2.9	-8.7	-7.6
Rel. OMXSPI (SE):	-5.4	-12.5	-11.3
52w range (SEK):	33.55 / 24.85		

Source: FactSet

## Investment case summary

### Residential portfolio focused on Stockholm region

Heba's property portfolio is located in the Greater Stockholm area, where demand should remain stable.

### Target to exceed SEK 20bn in property value by 2030

Ambitious targets for 2030.

### Attractive valuation following share decline

We find the >30% discount to NAV excessive.

## Risks

- Higher market interest rates pose a risk for all real estate companies
- Sensitive to political decisions related to residential rent regulations

## Opportunities

- Due to a deficit of rental apartments, the risk of vacancies is more limited among, for example, commercial properties
- Demographic changes represent strong future demand for public properties

Deviation table

SEKm	Q4-25 Actual	Q4-25 SHBe	Diff	Q4-24 Actual	y-o-y
<b>Rental income</b>	<b>151</b>	<b>151</b>	<b>0%</b>	<b>144</b>	<b>5%</b>
<b>Net operating income (NOI)</b>	<b>101</b>	<b>106</b>	<b>-4%</b>	<b>101</b>	<b>0%</b>
<i>NOI margin</i>	67.2%	69.8%		70.2%	
<b>Income from property management (excl. JV)</b>	<b>48</b>	<b>51</b>	<b>-6%</b>	<b>48 #</b>	<b>0%</b>
<i>IFPM margin</i>	31.9%	33.9%		33.6%	
<b>EPRA NRV per share</b>	<b>50.1</b>	<b>49.8</b>	<b>0%</b>	<b>47.0</b>	<b>6%</b>
<b>DPS</b>	<b>0.55</b>	<b>0.64</b>	<b>-14%</b>	<b>0.52</b>	<b>6%</b>

Source: Handelsbanken

## Trend analysis

%	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26e
Rental income y-o-y	11.6	11.0	8.5	6.8	4.9	4.3
EBITDA adj y-o-y	18.1	18.1	10.5	7.9	-0.44	0.35
EBITDA adj margin	63.4	65.0	68.3	68.8	60.2	62.6
Op. net y-o-y	16.2	15.4	11.6	8.2	0.30	1.7
NOIRE margin	70.2	71.7	76.2	75.2	67.1	69.9
EPS adj (SEK)	0.27	0.34	0.39	0.38	0.30	0.34
EPS adj y-o-y	-11.2	2.5	3.7	4.4	10.5	0.33

Source: Handelsbanken

## Estimate changes

SEKm	SHB Q1 26e	chg (%)	SHB 2026e	chg (%)	SHB 2027e	chg (%)
Rental Income	157.3	4	643.2	3	678.8	3
Op. net NOIRE margin (%)	110.0	1	468.0	2	495.0	2
Inc fr prop mgt	53.3	5.6	241.5	4.4	256.2	4.5
EPS (SEK)	0.64	4	2.73	2	2.86	2
EPS adj (SEK)	0.34	6	1.56	4	1.65	4

Source: Handelsbanken

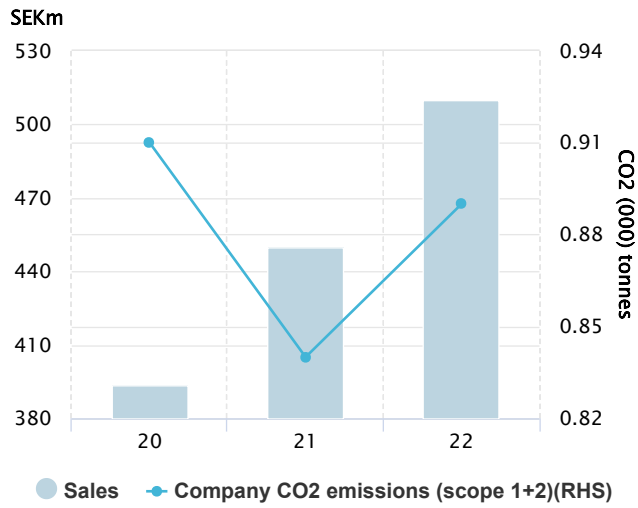
## SHB versus consensus

SEKm	Cons Q1 26e	diff (%)	Cons 2026e	diff (%)	Cons 2027e	diff (%)
Rental income	152.2	3	627.0	3	662.0	3
Op. net (NOIRE) margin (%)	98.3	11.9	419.0	11.7	444.0	11.5
Inc fr prop mgt	64.6	5	66.8	6	67.1	6
NAV/Share	126.5	-58	231.0	5	245.8	4
EPS (SEK)	-	n.m	-	n.m	-	n.m
EPS adj (SEK)	0.60	7	2.66	3	2.80	2
EPS adj (SEK)	0.30	14	1.49	4	1.58	4

Sources: Handelsbanken and FactSet

### ESG figures

#### ESG analysis, environmental



Source: Company data, Handelsbanken

#### ESG analysis, social



Source: Company data, Handelsbanken

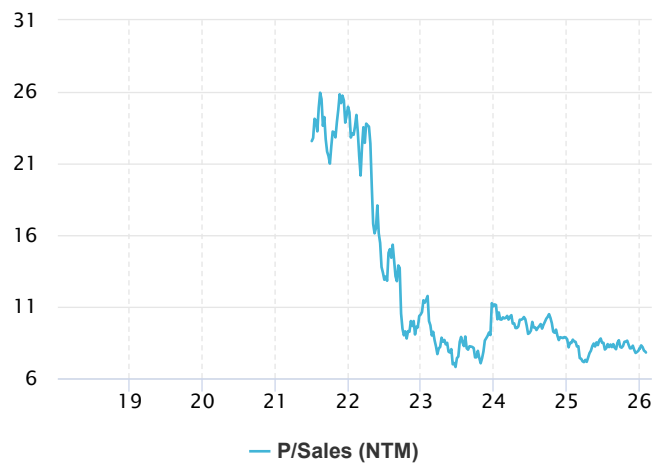
### Valuation charts

P/E adjusted (NTM) (x)



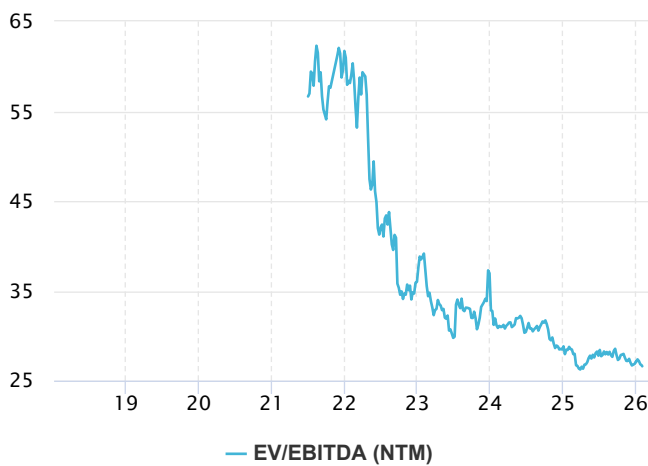
Source: FactSet

P/Sales (NTM) (x)



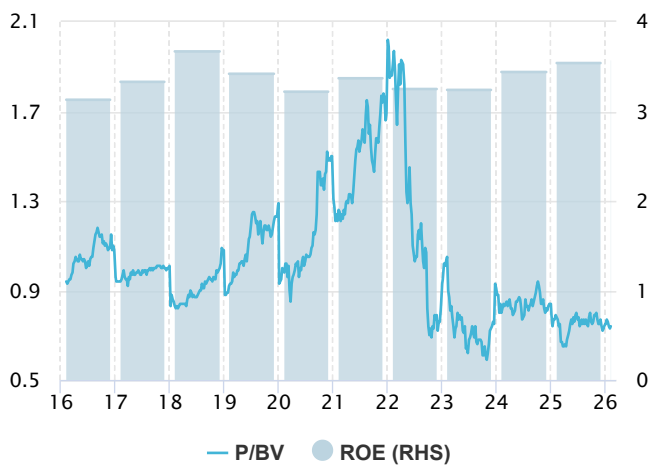
Source: FactSet

EV/EBITDA (NTM) (x)



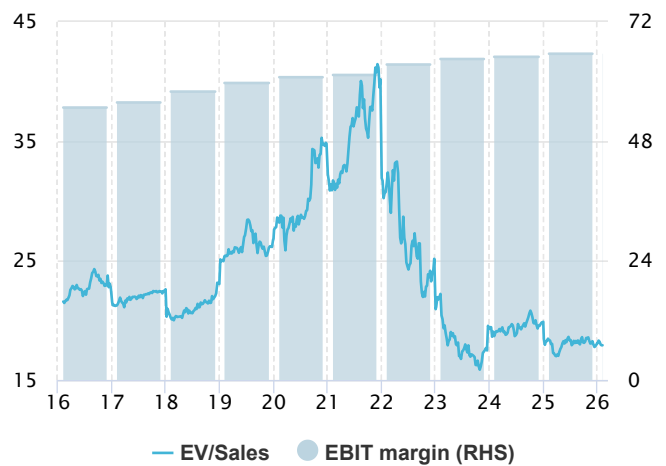
Source: FactSet

P/BV (x) and ROE (%)



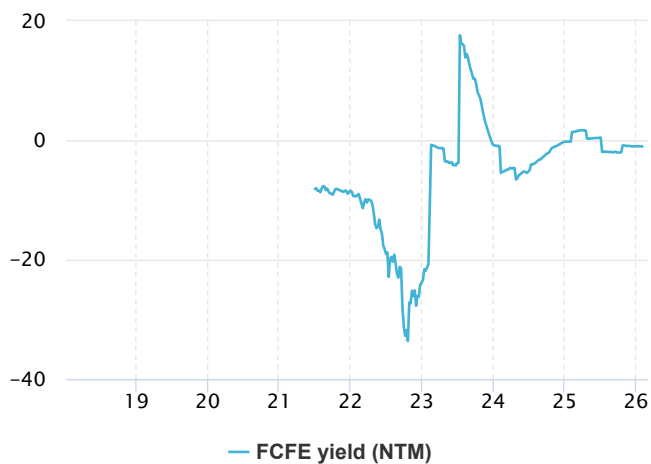
Sources: Handelsbanken and FactSet

EV/sales (x) and EBIT margin (%)



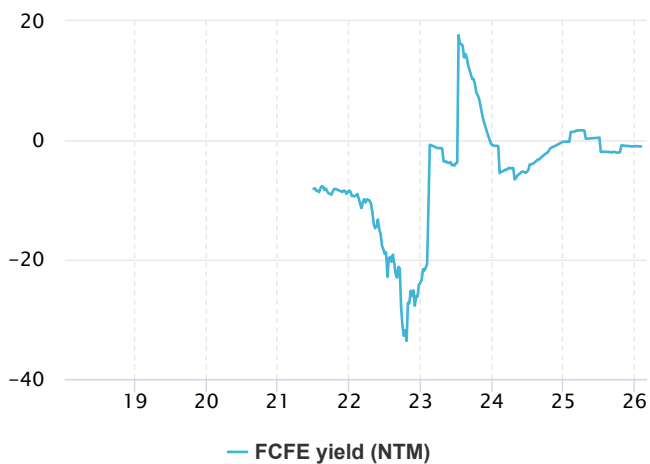
Sources: Handelsbanken and FactSet

FCFE yield (NTM) (%)



Source: FactSet

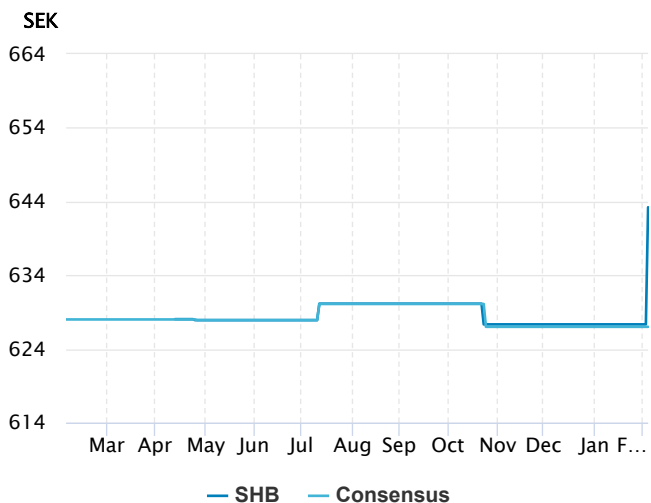
FCFE yield (NTM) (%)



Source: FactSet

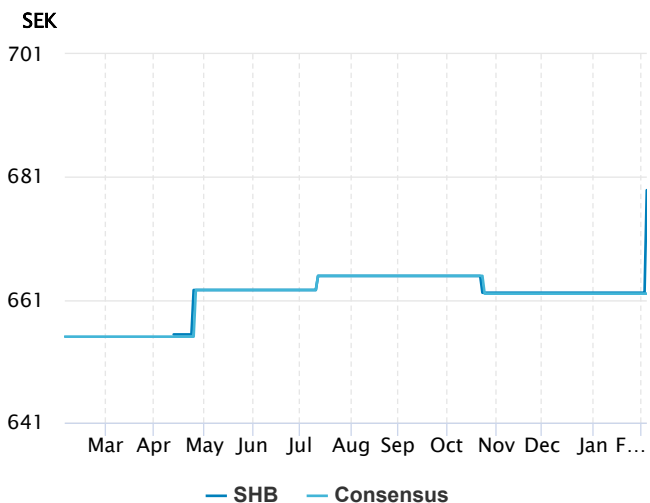
Momentum

Revenue – 2025 estimate revisions



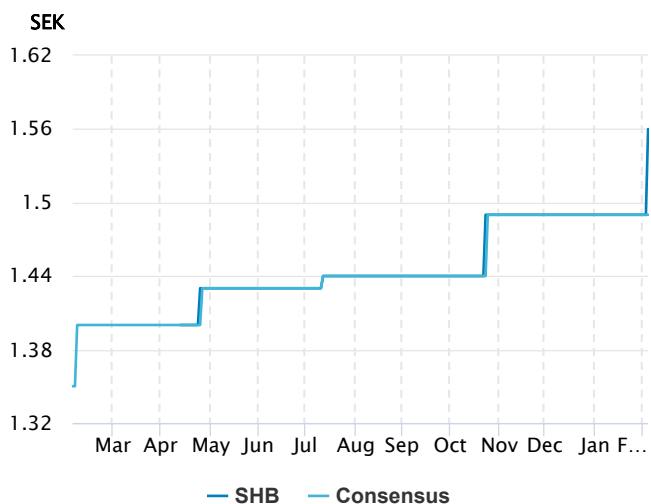
Sources: Handelsbanken and FactSet

Revenue – 2026 estimate revisions



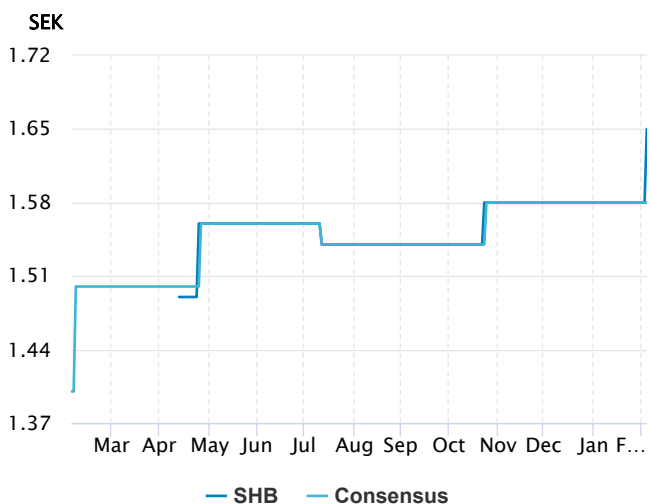
Sources: Handelsbanken and FactSet

Adjusted EPS – 2025 estimate revisions



Sources: Handelsbanken and FactSet

Adjusted EPS – 2026 estimate revisions



Sources: Handelsbanken and FactSet

## Valuation data

SEK	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026e
Share price year-end/current	18.8	24.3	24.9	28.4	27.7	31.9	43.1	57.3	78.8	36.3	35.5	32.8	30.1	30.1
Share price high	19.3	24.3	25.3	31.2	29.4	33.9	47.0	60.0	83.3	81.4	43.2	38.4	33.7	31.7
Share price low	16.0	18.8	21.3	24.3	26.2	26.3	31.5	32.9	51.5	28.6	22.0	30.1	24.0	29.7
Market cap (m)	0.0	0.0	0.0	4,468	4,351	5,263	7,117	9,453	13,011	5,994	5,854	5,408	4,664	4,664
Net debt (m)	0.0	0.0	1,913	2,399	3,221	3,532	3,334	4,818	5,866	7,434	5,056	5,764	6,281	6,368
MV associates (m)	-	-	35.0	-	-	29.5	34.4	334.4	458.7	457.6	14.3	1.0	101.0	101.0
EV (m)	n.m	n.m	n.m	6,867	7,572	8,766	10,416	13,937	18,419	12,970	10,895	11,171	10,845	10,931
P/E reported (x)	n.m	n.m	n.m	12.0	11.8	8.1	9.8	13.2	8.8	n.m	n.m	54.7	16.7	11.0
P/E adj (x)	n.m	n.m	n.m	37.2	31.5	31.3	40.1	50.4	56.7	25.1	26.5	24.4	21.3	19.3
P/BV (x)	n.m	n.m	n.m	1.12	1.01	1.08	1.29	1.54	1.74	0.83	0.91	0.84	0.74	0.70
P/NAV (x)	n.m	n.m	n.m	0.88	0.80	0.87	1.05	1.25	1.41	0.69	0.76	0.70	0.60	0.57
ROE adj (%)	n.m	n.m	n.m	3.1	3.3	3.7	3.4	3.2	3.4	3.3	3.2	3.4	3.5	3.7
Pre-tax ROIC (%)	n.m	n.m	n.m	2.7	2.7	2.8	2.7	2.4	2.3	2.3	2.8	3.1	3.2	3.3
EV/sales (x)	n.m	n.m	-	23.2	22.6	23.0	26.8	35.4	41.0	25.4	19.3	19.9	17.9	17.0
EV/EBITDA (x)	n.m	n.m	-	42.4	40.5	39.7	44.9	58.1	66.8	40.1	29.8	30.6	27.3	25.6
EBITDA adj margin (%)	n.m	n.m	55.7	54.8	55.8	58.0	59.7	60.9	61.3	63.4	64.5	65.0	65.6	66.3
FCF adj yield (%)	n.m	n.m	n.m	-15.9	-17.3	-3.0	-16.4	-11.9	-12.1	-26.2	-36.6	4.9	-3.6	-0.02
Tot div yield (%)	0	0	1.5	1.4	1.6	1.7	1.4	1.1	1.0	1.2	1.5	1.6	1.8	1.9
Payout ratio (%)	n.m	n.m	n.m	16.9	19.2	13.9	13.7	14.9	9.0	-54.6	-12.1	86.9	30.6	20.5
Earnings yield (x)	n.m	n.m	n.m	0.03	0.03	0.03	0.02	0.02	0.02	0.04	0.04	0.04	0.05	0.05

Source: Handelsbanken

## DCF model assumptions

SEKm	2025	2026e	2027e	2028e	2029e	2030e	2035e	2040e	2045e
Rental income	605	643	679	694	707	722	816	901	995
Rental inc CAGR (%)	7.8	6.2	5.5	2.2	2.0	2.0	2.5	2.0	2.0
EBITDA growth (%)	8.8	7.3	6.2	2.4	2.4	2.0	5.2	2.0	2.0
EBITA growth (%)	n.m	n.m	n.m	n.m	n.m	n.m	n.m	2.0	2.0
Capex/sales (%)	48.9	38.4	41.8	42.5	43.4	n.m	5.0	5.0	5.0
Net working cap/sales (%)	-7.7	-7.9	-8.5	-8.7	-14.7	-14.7	0	0	0

Source: Handelsbanken

## WACC assumptions

WACC assumptions (%)	
Risk-free interest rate	2.0
Equity market risk premium	4.5
Equity beta (x)	1.2
Implicit asset beta (x)	2.3
Cost of equity	7.2
Pre-tax cost of debt	2.8
Equity weight	55.0
<b>WACC</b>	<b>4.9</b>

Source: Handelsbanken

## Calculation of DCF

Calculation of DCF (SEKm)	
NPV FCFF	12,310
Net debt incl Hybrid capital	-6,281
Market value Preferred stock	0.0
Market value Associates	101
Market value Minorities	0.0
Surplus values	0.0
Other adjustments	0.0
DCF value	6,129
<b>DCF value/share (SEK)</b>	<b>39.5</b>

Source: Handelsbanken

## DCF checkpoints

DCF checkpoints (%)	
5y hist sales growth	9.0
5y exp sales growth	3.6
Sustainable growth	2.0
Sust EBITDA margin	76.6
Sust EBITA margin	71.0
Sust after-tax ROIC	3.9
Terminal value/DCF	61.5
Implicit equity weight	66.2
<b>Share price potential to DCF value</b>	<b>31.4</b>

Source: Handelsbanken

**P&L accounts – quarterly data**

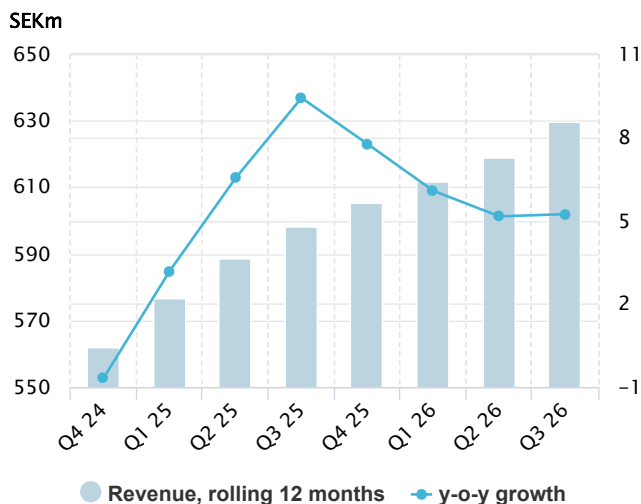
SEKm	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26e	Q2 26e	Q3 26e
<b>P&amp;L</b>								
Rental income	143.8	150.9	152.2	151.4	150.9	157.3	159.4	162.0
Total op expenses	-42.8	-42.7	-36.2	-37.6	-49.6	-47.3	-40.6	-39.6
Net operating income RE	101.0	108.2	116.0	113.8	101.3	110.0	118.8	122.4
Central admin	-9.8	-10.1	-12.0	-9.6	-10.5	-11.6	-10.9	-9.2
EBITDA	91.2	98.1	104.0	104.2	90.8	98.4	107.8	113.2
Associated income & other	0.0	0.0	0.0	0.0	0.0	-0.4	-0.4	-0.4
<b>EBIT</b>	<b>91.2</b>	<b>98.1</b>	<b>104.0</b>	<b>104.2</b>	<b>90.8</b>	<b>98.0</b>	<b>107.4</b>	<b>112.8</b>
Net financials	-42.9	-41.6	-41.1	-43.4	-42.9	-44.8	-45.9	-46.9
<b>Income fr property mgmt</b>	<b>48.3</b>	<b>56.5</b>	<b>62.9</b>	<b>60.8</b>	<b>47.9</b>	<b>53.3</b>	<b>61.6</b>	<b>65.9</b>
Ch in prop value & deriv	99.2	18.2	16.6	-7.5	121.6	72.6	72.7	72.4
<b>EBT</b>	<b>147.5</b>	<b>74.7</b>	<b>79.5</b>	<b>53.3</b>	<b>169.5</b>	<b>125.9</b>	<b>134.3</b>	<b>138.3</b>
Reported tax	-42.6	-21.0	-17.4	-15.9	-34.1	-26.0	-27.7	-28.6
tax rate (%)	28.9	28.1	21.9	29.8	20.1	20.7	20.7	20.7
<b>Net income</b>	<b>104.9</b>	<b>53.7</b>	<b>62.1</b>	<b>37.4</b>	<b>135.4</b>	<b>99.9</b>	<b>106.5</b>	<b>109.7</b>
EPS rep (SEK)	0.6	0.3	0.4	0.2	0.9	0.6	0.7	0.7
<b>Growth (%)</b>								
Rental income	11.6	11.0	8.5	6.8	4.9	4.3	4.7	7.0
Total expenses	2.1	1.4	-0.5	2.7	15.9	10.8	12.2	5.3
EBITDA	18.1	18.1	10.5	7.9	-0.4	0.4	3.7	8.6
EBT	n.m	n.m	176.0	n.m	14.9	68.5	68.9	159.4
Net income	n.m	n.m	225.1	152.7	29.1	86.0	71.5	193.3
EPS rep	n.m	n.m	230.1	164.7	35.2	97.9	79.7	197.9
EPS adj	-11.2	2.5	3.7	4.4	10.5	0.3	2.5	12.1
<b>of sales (%)</b>								
EBITDA margin	63.4	65.0	68.3	68.8	60.2	62.6	67.6	69.9
EBT margin	103	49.5	52.2	35.2	112	80.0	84.2	85.4
Net margin	72.9	35.6	40.8	24.7	89.7	63.5	66.8	67.7
<b>Adjusted values</b>								
Total adjustments to net inc	59.8	-2.8	-0.8	-22.3	87.8	46.6	45.0	43.8
EBITDA	91.2	98.1	104.0	104.2	90.8	98.4	107.8	113.2
<i>margin (%)</i>	<i>63.4</i>	<i>65.0</i>	<i>68.3</i>	<i>68.8</i>	<i>60.2</i>	<i>62.6</i>	<i>67.6</i>	<i>69.9</i>
EBT	48.3	56.5	62.9	60.8	47.9	53.3	61.6	65.9
Net income	45.1	56.5	62.9	59.7	47.6	53.3	61.6	65.9
EPS adj (SEK)	0.3	0.3	0.4	0.4	0.3	0.3	0.4	0.4

**Property specific RC (SEK)**

NAV/Share	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26e	Q2 26e	Q3 26e
NAV/Share	47.0	47.4	48.3	49.0	50.1	50.9	51.1	52.0

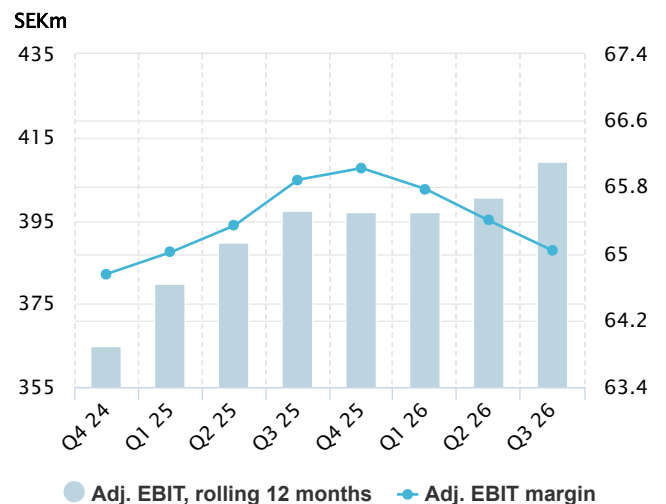
Source: Handelsbanken

**Revenue, 12-month rolling**



Source: Handelsbanken

**Adjusted EBIT, 12-month rolling**



Source: Handelsbanken

## P&amp;L accounts – annual data

SEKm	2021	2022	2023	2024	2025	2026e	2027e
<b>Income statement</b>							
Rental income	449.6	509.9	565.6	561.8	605.4	643.2	678.8
Total op expenses	-136.7	-148.2	-164.1	-157.9	-166.1	-175.2	-183.9
Net operating income RE	312.9	361.7	401.5	403.9	439.3	468.0	495.0
Central admin	-37.2	-38.3	-36.5	-38.9	-42.2	-41.8	-42.3
EBITDA	275.7	323.4	365.0	365.0	397.1	426.2	452.7
<b>EBIT</b>	<b>276</b>	<b>323</b>	<b>365</b>	<b>365</b>	<b>397</b>	<b>426</b>	<b>453</b>
Net interest expenses	-46.0	-84.0	-146.1	-140.8	-169.0	-184.7	-196.5
Net financials	-46.0	-84.0	-146.1	-140.8	-169.0	-184.7	-196.5
Earnings bef value change	229.7	239.4	218.9	224.2	228.1	241.5	256.2
Ch in prop value & deriv	1,544	-377.6	-1,263	-81.6	148.9	291.6	303.5
Paid tax	-0.3	-0.2	2.4	-2.5	-1.4	-	-
Reported tax	-298.5	2.2	331.7	-43.8	-88.4	-109.8	-115.3
tax rate (%)	16.8	1.6	31.8	30.7	23.4	20.6	20.6
<b>Net income</b>	<b>1,475</b>	<b>-136.0</b>	<b>-712.2</b>	<b>98.8</b>	<b>288.6</b>	<b>423.3</b>	<b>444.4</b>
EPS rep (SEK)	8.9	-0.82	-4.31	0.60	1.80	2.73	2.86
EPS adj (SEK)	1.4	1.4	1.3	1.3	1.4	1.6	1.7
<b>Growth (%)</b>							
Rental income	14.2	13.4	10.9	-0.7	7.8	6.2	5.5
Total expenses	13.6	8.4	10.7	-3.8	5.2	5.5	5.0
EBITDA	15.0	17.3	12.9	0.0	8.8	7.3	6.2
EBT	94.9	n.m	n.m	n.m	164.4	41.4	5.0
Net income	105.4	n.m	n.m	n.m	192.1	46.7	5.0
EPS rep	105.4	n.m	n.m	n.m	200.6	51.7	5.0
EPS adj	22.4	4.3	-7.5	0.2	5.2	10.1	6.1
<b>of sales (%)</b>							
EBITDA margin	61.3	63.4	64.5	65.0	65.6	66.3	66.7
EBT margin	394	-27.1	-185	25.4	62.3	82.9	82.5
Net margin	328	-26.7	-126	17.6	47.7	65.8	65.5
<b>Profitability (%)</b>							
ROE reported	21.7	-1.8	-10.4	1.5	4.5	6.5	6.5
ROE adj	3.4	3.3	3.2	3.4	3.5	3.7	3.7
ROCE	2.2	2.3	2.7	3.0	3.1	3.3	3.3
Pre-tax ROIC	2.3	2.3	2.8	3.1	3.2	3.3	3.4
After tax ROIC	2.3	2.3	2.8	3.0	3.2	3.3	3.4
ROCE	2.2	2.3	2.7	3.0	3.1	3.3	3.3
Sales/capital invested (x)	0.04	0.04	0.04	0.05	0.05	0.05	0.05
Sales/total assets (x)	0.03	0.03	0.04	0.04	0.04	0.04	0.04
<b>Adjusted values</b>							
Total adjustments to net inc	1,246	-375.2	-933.5	-122.9	61.9	181.8	188.2
EBITDA	275.7	323.4	365.0	365.0	397.1	426.2	452.7
margin (%)	61.3	63.4	64.5	65.0	65.6	66.3	66.7
EBT	229.7	239.4	218.9	224.2	228.1	241.5	256.2
<b>Net income</b>	<b>229.4</b>	<b>239.2</b>	<b>221.3</b>	<b>221.7</b>	<b>226.7</b>	<b>241.5</b>	<b>256.2</b>

Source: Handelsbanken

## Forecast balance sheet – annual data

SEKm	2021	2022	2023	2024	2025	2026e	2027e
Accounts receivable	56	82	26	45	41	41	41
Other current assets	-	-	100	55	29	29	29
Cash & other interest-bearing	159	101	247	37	17	60	102
<b>Current assets</b>	<b>214</b>	<b>182</b>	<b>373</b>	<b>136</b>	<b>87</b>	<b>130</b>	<b>172</b>
Tangible assets	14,843	15,888	12,912	13,753	14,178	14,717	15,304
Shares associates	459	458	14	1	101	101	101
Derivatives	-	228	-	-	-	-	-
Other financial assets	-	-	325	276	176	176	176
<b>Total assets</b>	<b>15,516</b>	<b>16,756</b>	<b>13,625</b>	<b>14,167</b>	<b>14,542</b>	<b>15,123</b>	<b>15,753</b>
Equity	7,493	7,225	6,438	6,451	6,344	6,682	7,039
Shareholder equity	7,493	7,225	6,438	6,451	6,344	6,682	7,039
Deferred tax liabilities	1,710	1,710	1,326	1,368	1,455	1,564	1,680
Long-term interest-bearing debt	4,290	5,803	4,917	4,353	4,984	5,114	5,264
Short-term interest-bearing debt	1,735	1,732	712	1,724	1,490	1,490	1,490
Provisions	158	157	126	152	153	153	153
Other current liabilities	130	130	107	119	117	121	128
<b>Current liabilities</b>	<b>1,865</b>	<b>1,862</b>	<b>819</b>	<b>1,843</b>	<b>1,607</b>	<b>1,611</b>	<b>1,618</b>
<b>Total equity &amp; liabilities</b>	<b>15,516</b>	<b>16,756</b>	<b>13,625</b>	<b>14,167</b>	<b>14,542</b>	<b>15,123</b>	<b>15,753</b>
Net interest bearing debt	5,866	7,434	5,056	5,764	6,281	6,368	6,476

Source: Handelsbanken

## Forecast cash flow

SEKm	2021	2022	2023	2024	2025	2026e	2027e
<b>EBIT before associates</b>	<b>275.7</b>	<b>323.4</b>	<b>365.0</b>	<b>365.0</b>	<b>397.1</b>	<b>426.2</b>	<b>452.7</b>
+ Net financials	-46.0	-84.0	-146.1	-140.8	-169.0	-184.7	-196.5
- Paid tax	-2.1	-0.1	0.3	-0.5	-2.1	-	-
- Change in NWC	11.5	-26.4	25.6	-2.8	5.1	4.4	6.7
+ Other adjustment	-6.4	-16.4	7.3	-6.7	-14.5	n.m	n.m
<b>Cash flow from operations (CFFO)</b>	<b>232.7</b>	<b>196.5</b>	<b>252.1</b>	<b>214.2</b>	<b>216.6</b>	<b>246.0</b>	<b>262.9</b>
- Net recurring capex	-1,397	-1,648	-327.4	-342.0	-295.9	-247.0	-284.0
<b>FCF bef Acq. &amp; Div. (FCF)</b>	<b>-1,165</b>	<b>-1,452</b>	<b>-75.3</b>	<b>-127.8</b>	<b>-79.3</b>	<b>-1.0</b>	<b>-21.1</b>
- Acquisitions	-	-	1.2	-457.9	-	-	-
+ Divestments	354.3	-0.1	2,063	66.9	83.0	-	-
<b>FCF to equity (FCFE)</b>	<b>-810.3</b>	<b>-1,452</b>	<b>1,989</b>	<b>-518.8</b>	<b>3.7</b>	<b>-1.0</b>	<b>-21.1</b>
- Paid dividends to shareholders	-107.3	-132.1	-74.3	-85.9	-85.9	-85.4	-86.9
- Share buy-backs	-	-	-	-	-309.6	-	-
+ New share issue	n.m	n.m	-0.1	n.m	n.m	n.m	n.m
+ Other adjustments	-130.7	16.1	138.8	-54.4	-24.9	-	-
<b>NET cash flow/change in NIBD</b>	<b>61.7</b>	<b>-58.0</b>	<b>146.4</b>	<b>-210.7</b>	<b>-19.3</b>	<b>42.8</b>	<b>42.0</b>
Funds from operations (FFO)	221.2	222.9	226.5	217.0	211.5	241.5	256.2
Cash flow from operations (CFFO)	232.7	196.5	252.1	214.2	216.6	246.0	262.9
FCF bef Acquisitions & Divestments (FCF)	-1,165	-1,452	-75.3	-127.8	-79.3	-1.0	-21.1
FCF to equity (FCFE)	-810.3	-1,452	1,989	-518.8	3.7	-1.0	-21.1

Source: Handelsbanken

## Financial ratios – annual data

%	2021	2022	2023	2024	2025	2026e	2027e
Equity/total assets	48.3	43.1	47.2	45.5	43.6	44.2	44.7
Net debt/equity	78.3	103	78.5	89.4	99.0	95.3	92.0
Net debt/EBITDA (x)	21.3	23.0	13.9	15.8	15.8	14.9	14.3
EBITDA net interest cover (x)	6.0	3.9	2.5	2.6	2.3	2.3	2.3
FCFF/total debt	-24.4	-18.2	-35.4	6.6	0.10	2.8	2.6
Total debt/capital	44.6	51.1	46.6	48.5	50.5	49.7	49.0
Short-term debt/capital	12.8	11.7	5.9	13.8	11.6	11.2	10.8
Long-term debt/capital	31.7	39.3	40.7	34.7	38.9	38.5	38.2

Source: Handelsbanken

## Per share data

m	2021	2022	2023	2024	2025	2026e	2027e
Nr of shares, year-end	165.1	165.1	165.1	165.1	155.2	155.2	155.2
Nr of shares, average	165.1	165.1	165.1	165.1	160.5	155.2	155.2
EPS reported (SEK)	8.9	-0.82	-4.31	0.60	1.80	2.73	2.86
Y-o-y growth (%)	105.4	n.m	n.m	n.m	200.6	51.7	5.0
EPS adj (SEK)	1.39	1.45	1.34	1.34	1.41	1.56	1.65
Y-o-y growth (%)	22.4	4.3	-7.5	0.2	5.2	10.1	6.1
DPS - ordinary (SEK)	0.80	0.45	0.52	0.52	0.55	0.56	0.60
Payout ratio (%)	9.0	-54.6	-12.1	86.9	30.6	20.5	21.0
Buy-backs (SEK)	-	-	0.00	-	1.93	-	-
Buy-back payout ratio (%)	0.0	0.0	0.0	0.0	107.3	0.0	0.0
Tot cash payout ratio (%)	7.3	-97.1	-10.4	86.9	136.2	20.2	19.6
Book value (SEK)	45.4	43.8	39.0	39.1	40.9	43.0	45.4
Y-o-y growth (%)	22.3	-3.6	-10.9	0.2	4.6	5.3	5.4
Net debt (SEK)	35.5	45.0	30.6	34.9	40.5	41.0	41.7
NAV (SEK)	55.7	52.7	46.4	47.0	50.1	52.9	55.9

Source: Handelsbanken

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## Recommendation structure

SHB recommendation (12 months)	Return expected to be <sup>1</sup>	SHB universe <sup>2</sup>	IB services <sup>3</sup>
Buy	above 10%	60%	23%
Hold	between 0% and 10%	35%	14%
Sell	below 0%	5%	22%

<sup>1</sup> Return expected to be is defined as the expected share price appreciation or depreciation including dividends over the next 12 months

<sup>2</sup> Percentage of companies under coverage within each recommendation

<sup>3</sup> Percentage of companies within each recommendation for which investment banking services have been provided in the past 12 months

Source: Handelsbanken, as per 4 February 2026

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This report has not been given to the subject company, or any other external party, prior to publication to approve the accuracy of the facts presented. The subject company has not been notified of the recommendation, target price or estimate changes, as stated in this report, prior to publication.

5 Feb 2026: Heba - Handelsbanken's analysts Sebastian Jakobsson and Johan Edberg have no positions in Heba or a related instrument.

Handelsbanken has participated in a public offering of financial instruments of the subject company during the past twelve months.

Handelsbanken is party to an agreement with the following issuers relating to the provision of services of investment firms over the past twelve months.

The recommendation Buy was set on 6 Apr 2025 as the first recommendation for the company at the share price of SEK 27.05.

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Completion date: 4 Feb 2026 19:09 CET

## Company overview

SEKm	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e
<b>P&amp;L</b>													
Rental income	295	335	381	388	394	450	510	566	562	605	643	679	694
growth (%)	5	13	14	2	1	14	13	11	-0.7	8	6	6	2
EBITDA	162	187	221	232	240	276	323	365	365	397	426	453	464
margin (%)	54.8	55.8	58.0	59.7	60.9	61.3	63.4	64.5	65.0	65.6	66.3	66.7	66.9
Inc.fr.prop.manag	121	138	168	184	192	230	239	219	224	228	242	256	262
Net income	373	368	654	724	718	1,475	-136	-712	99	289	423	444	459
growth (%)	-58.7	-1.2	77.7	10.8	-0.81	105	n.m	n.m	n.m	192	46.7	5.0	3.3
Adj net income	120	138	168	177	187	229	239	221	222	227	242	256	262
growth (%)	-0.23	14.9	22.1	5.3	5.6	22.4	4.3	-7.5	0.18	2.3	6.5	6.1	2.3
<b>Cash flow</b>													
Capex	-717	-927	-327	-606	-1,270	-1,397	-1,648	-327	-342	-296	-247	-284	-295
Free cash flow	-567	-755	-157	-433	-1,083	-1,165	-1,452	-75	-128	-79	-1	-21	-30
Acquisitions	-	-	-	-	-	-	-	1	-458	-	-	-	-
Divestments	146	-	-	731	-	354	-0.1	2,063	67	83	-	-	-
FCF to equity	-421	-755	-157	297	-1,083	-810	-1,452	1,989	-519	4	-1	-21	-30
Net CF	2	4	0.1	19	72	62	-58	146	-211	-19	43	42	-23
<b>Ratios (%)</b>													
Pre-tax ROIC	2.7	2.7	2.8	2.7	2.4	2.3	2.3	2.8	3.1	3.2	3.3	3.4	3.4
ROE adj	3.1	3.3	3.7	3.4	3.2	3.4	3.3	3.2	3.4	3.5	3.7	3.7	3.6
ROCE	2.7	2.7	2.8	2.7	2.4	2.2	2.3	2.7	3.0	3.1	3.3	3.3	3.3
Equity/total assets	52.6	48.8	50.1	52.9	47.9	48.3	43.1	47.2	45.5	43.6	44.2	44.7	45.3
Income cover (SEK)	2.21	2.26	2.38	2.48	2.56	2.59	2.73	2.82	2.85	2.91	2.96	3.00	3.02
Interest cover (SEK)	3.80	3.72	4.14	4.76	4.71	4.55	3.20	2.21	2.35	2.25	2.22	2.22	2.22
Dividend cover (SEK)	5.9	5.2	7.2	7.3	6.7	11.2	-1.83	-8.3	1.15	3.27	4.87	4.77	n.m
<b>Share data (SEK)</b>													
Avg no shares (m)	157	157	165	165	165	165	165	165	165	160	155	155	155
change (%)	n.m	0.0	5	0.0	0.0	0.0	0.0	0.0	0.0	-3	-3	0.0	0.0
Avg diluted shares (m)	157	157	165	165	165	165	165	165	165	160	155	155	155
change (%)	n.m	0.0	5.1	0.0	0.0	0.0	0.0	0.0	0.0	-2.8	-3.3	0.0	0.0
Share price YE	28.4	27.7	31.9	43.1	57.3	78.8	36.3	35.5	32.8	30.1	30.1	30.1	30.1
Market cap (m)	4,468	4,351	5,263	7,117	9,453	13,011	5,994	5,854	5,408	4,664	4,664	4,664	4,664
EV (m)	6,867	7,572	8,766	10,416	13,937	18,419	12,970	10,895	11,171	10,845	10,931	11,039	11,162
Net debt/share	15.3	20.5	21.4	20.2	29.2	35.5	45.0	30.6	34.9	40.5	41.0	41.7	42.5
EPS reported	2.37	2.34	3.96	4.39	4.35	8.9	-0.82	-4.31	0.60	1.80	2.73	2.86	2.96
growth (%)	n.m	-1	69	11	-0.8	105	n.m	n.m	n.m	201	52	5	3
EPS adj	0.76	0.88	1.02	1.07	1.13	1.39	1.45	1.34	1.34	1.41	1.56	1.65	1.69
growth (%)	-	15	16	5	6	22	4	-7	0.2	5	10	6	2
BVPS	25.4	27.3	29.5	33.3	37.1	45.4	43.8	39.0	39.1	40.9	43.0	45.4	47.7
DPS - Ordinary	0.40	0.45	0.55	0.60	0.65	0.80	0.45	0.52	0.52	0.55	0.56	0.60	-
Value buy-back/share	-	-	-	-	-	-	-	0.00	-	1.93	-	-	-
Total cash distr./share	0.38	0.40	0.45	0.55	0.60	0.65	0.80	0.45	0.52	2.45	0.55	0.56	0.60
<b>Valuation</b>													
<b>Prop. specific (%)</b>													
Avg interest rate	2.5	2.1	-	-	-	-	-	-	-	-	-	-	-
Fixed rate ratio	63.0	54.0	-	-	-	-	-	-	-	-	-	-	-
Stated property yield	4.5	4.4	-	-	-	-	-	-	-	-	-	-	-
Implied property yield	2.6	2.7	3.0	3.2	2.9	3.0	3.0	4.0	3.8	4.1	4.3	4.5	4.5
Vacancy rate	6.0	6.0	-	-	-	-	-	-	-	-	-	-	-
Implied prop value (SEKm)	8,002	8,828	10,046	11,746	15,374	20,192	14,488	12,189	12,546	12,324	12,524	12,754	12,999
Implied premium	6.3	0.65	4.0	15.9	27.6	37.6	-7.8	-4.6	-7.7	-12.0	-13.9	-15.7	-17.4

Source: Handelsbanken