Nordic Credit Rating

SECTOR COMMENT

25 Jun. 2020

Logistics property operators ride out COVID-19 downturn

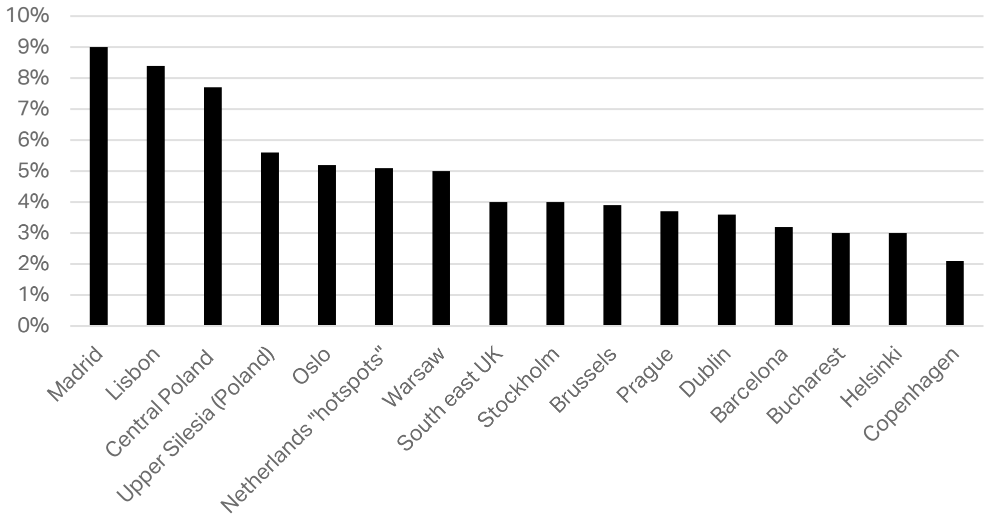
ANALYSTS

Daniel Johansson
+46732324378
daniel.johansson@nordiccreditrating.com

Mille O. Fjeldstad
+4799038916
mille.fjeldstad@nordiccreditrating.com

The Nordic logistics property sector has defied widespread expectations of a marked slowdown in the second quarter due to COVID-19 thanks to strong underlying economic conditions, such as buoyant global trade, and increased e-commerce in most developed economies, partly arising from the pandemic itself. These favourable conditions have increased demand for logistics services, and the logistics property segment has seen historically high rents and low vacancies despite the pandemic.

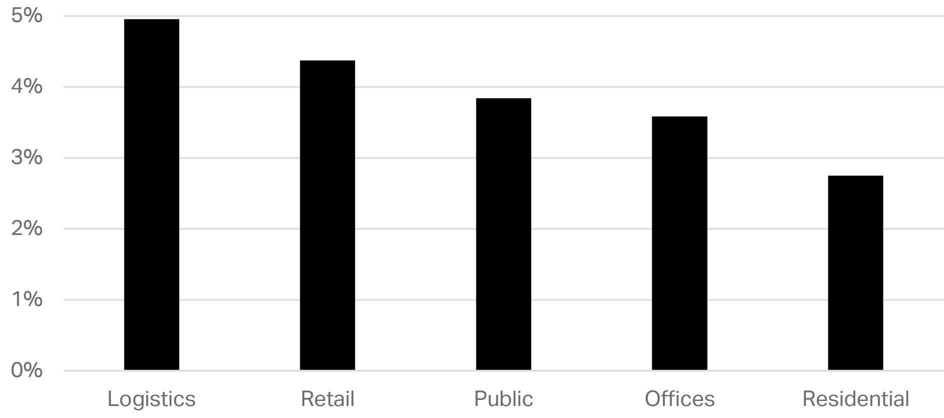
Figure 1. Nordic and other European logistics property vacancy rates, 2019



Based on Savills data

The Nordic region has a well developed logistics real estate segment. Yields have been falling for years, and currently stand at 4-5%, but are still higher than yields in other property segments such as the physical retail sector. In the Nordic markets, the office-logistics property yield gap is close to a historic low, according to real estate consultancy Colliers. Nordic logistics properties are still valued at a discount to both other domestic real estate segments and their international peers in yield terms while growth has been faster than in most other European regions both in terms of absolute volumes as well as real estate market share. Moreover, the Nordic market remains fragmented and has only recently attracted large international investors, while regional players have been either small or only partly focused on logistics until recently. Currently, however, more than 50% of investments coming into the sector are international, according to consultant CBRE.

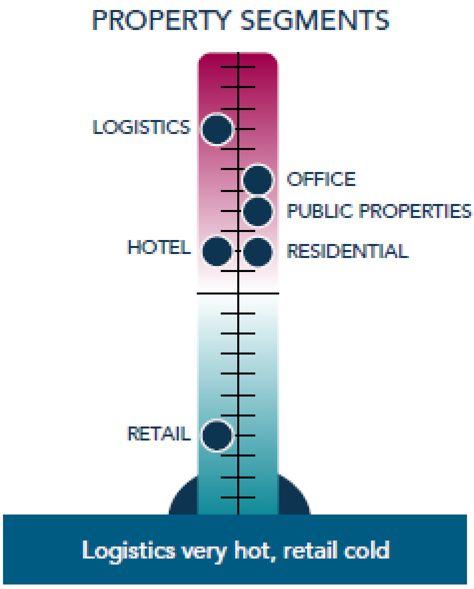
Figure 2. Nordic prime property sector yields by segment (main city averages), 2020e



Based on Newsec data

The Nordic logistics property market is highly focused on projects, which are often initiated by new dedicated investors as older properties lose their prestige due to the emergence of new hubs and the imposition of higher technological standards. Despite the negative impact of COVID-19, and other forms of risk present in the segment, consensus opinion is that favourable conditions should prevail for Nordic logistics property operators. Another feature of the market is that Nordic logistics property companies are generally smaller than comparable office and residential property management firms, while offering higher yields, a factor which has trigged investor interest. Furthermore, only a few pure plays in the segment have a stock market listing and even fewer have credit ratings. A further defining characteristic of the segment is that a number of key properties are owned by the occupant, a factor that is less usual in other commercial real estate segments.

Figure 3. Nordic property segments by market activity



Source: Pangea Property Partners

KEY DRIVERS AND WHAT TO EXPECT

Positive external factors prevail

The main reason behind the recent rapid growth of the logistics property segment is positive external fundamentals, particularly in the Nordic region, which was relatively unscathed by the global financial crisis of 2008-09 and the subsequent eurozone crisis. Beneficial factors include relatively high GDP and per capita GDP growth across the region, globally low interest rates, and the substantial yield gap evident in most real estate segments. In the Nordic countries, low inflation and interest rates and weaker domestic currencies are likely to encourage real estate investment in general.

Population growth represents a further positive factor for the segment, although this varies between the individual Nordic countries. High levels of immigration and fertility rates (especially in Sweden), rapid urbanisation, and population growth and shrinkage in key population centres impact demand for property and the need for distribution from the most efficient geographic locations. Despite a rapid increase in unemployment due to COVID-19, the Nordic countries retain a dynamic labour market with a generally high education level and face fewer structural employment headwinds than many other parts of Europe.

The relative prosperity of the region combined with modern production and consumer patterns are key positive factors for the wider logistics sector. Other favourable factors include relatively undeveloped logistics hubs and scattered population centres, which create strong demand for long-distance transport and highly efficient and integrated supply chains.

The region is highly dependent on international trade and there is a regional requirement for storage and facilities for combined distribution. Accordingly, there is strong likelihood that the market for logistics properties will continue to grow on the back of positive economic conditions, though these might not be as supportive as before the outbreak of COVID-19. In our view, the logistics property segment is likely to grow in the years ahead due to a need for property upgrades, a large project pipeline of newbuilds (including built-to-suit units catering to specific tenant demands), and increased interest from foreign investors drawn by attractive yields and superior growth prospects in comparison with other real estate segments.

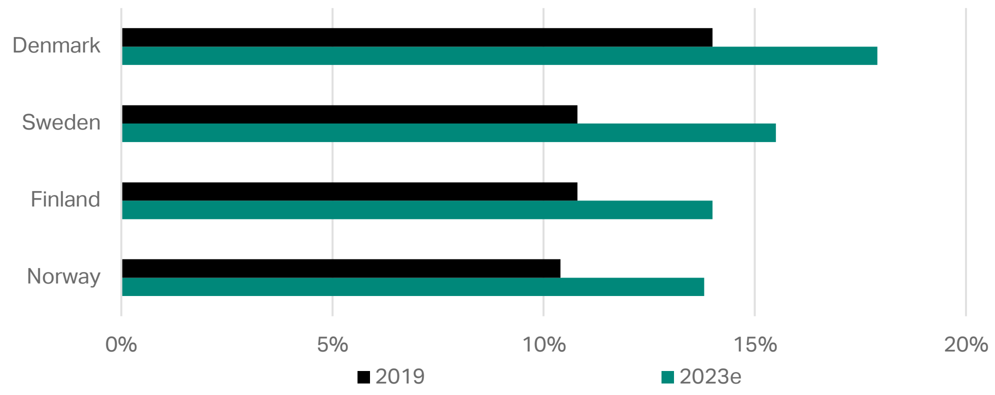
Demand for newbuilds could also result from high regional labour costs and labour shortages, as well as demand for automation and property technology, which can enable more efficient management of logistics properties and lower costs per stored unit. Demand for newbuilds against existing properties can also be triggered an explicit tenant need to combine logistics units with tenant offices.

Shift from conventional to online retailing

Demand for logistics property is also being driven by shifting consumer patterns as shoppers abandon traditional retail outlets in favour of online shopping, in turn generating increased demand for storage and warehousing as well as efficient regional transport networks. E-commerce has been growing strongly for a number of years in the Nordic region, partly due to increased smartphone penetration and rapid delivery options. This in turn has put heavy pressure on conventional retail providers.

While the entire Nordic region has seen a strong increase in e-commerce, the extent of the shift differs between countries given varying degrees of technological maturity, trade barriers, legal issues, competition between e-tailers, and the impact of intra-country distances on freight rates. The impact of COVID-19 has in fact boosted growth of e-commerce in the region rather than slowed it, despite higher unemployment and increasingly uncertain economic conditions. While this could be attributed to a virus-related shift in consumption patterns, the broader picture most likely points to a sea change in consumer behaviour and a structural transformation from offline to online shopping. Real estate consultancy Savills reports that e-commerce already accounts for about 12% of all retail sales in the Nordic region, which is above the 10.7% tipping-point at which the UK, Europe's leading e-commerce location, saw a dramatic increase in demand for e-commerce related logistics facilities.

Figure 4. Nordic online spending as a percentage of total retail spending, 2019 and 2023e



Based on CBRE data

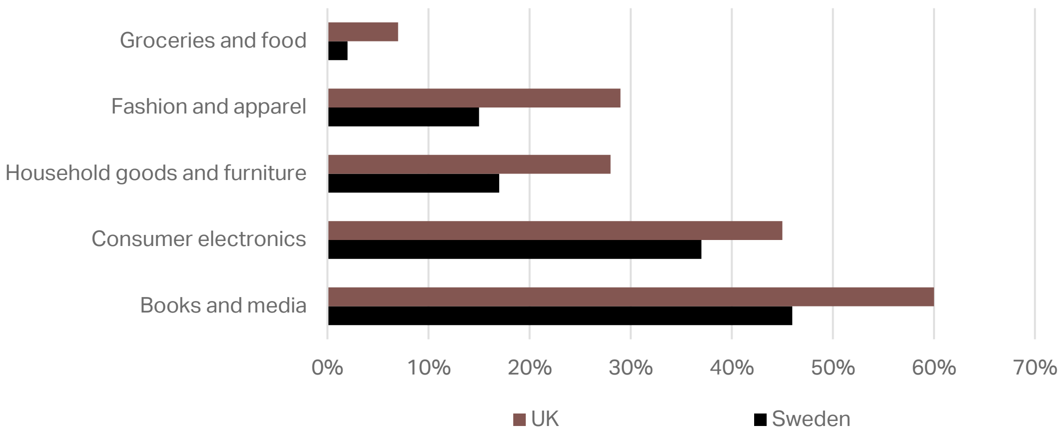
In the wider logistics industry, the shift to e-commerce has led to an increased focus on investments in existing logistics hubs to process increased freight volumes and cater to third-party logistics centres. Specifically in the logistics property segment, it has led to a focus on property units to handle small parcels for direct distribution to customers and newbuilds of, for example, cold storage facilities for the online grocery market. Demand has also risen for more secure premises to store valuable goods as increasing volumes of these are purchased online. The most recent forecasts (which pre-date the COVID-19 outbreak) indicate that online retail could account for 17.8% of western Europe's total retail sales by 2024, according to Savills. Assuming 75,000 sqm of storage space are required for every EUR 1bn spent online, this would indicate a need for an additional 16.7m sqm of logistics facilities in western Europe to cater for expected growth in online retail activity over the next five years. Savills estimates that in 2018 Sweden handled 67m parcels related to e-commerce and that if the country achieved a level of e-commerce maturity similar as that of the UK, this would equal 116m parcels – that is a volume corresponding to all of PostNord's present capacity or that of the country's two major logistics providers, DHL and Schenker. The projection suggests a substantial need for new storage space across the industry. The shift to e-commerce is expected to continue as new groups of consumers switch to online shopping and as the wider regional economy recovers beyond 2020.

Across the region, we are likely to see an expansion of both regional and local transition hubs to facilitate growth of parcel volumes. These include the Copenhagen, Gothenburg and Helsingborg port areas, the Jönköping and Örebro areas, and key locations in the Nordic capitals including airport areas and city hubs. We could also see conversions of old industrial estates into city hubs in strategic locations.

In addition to conventional e-tailing of non-perishables, online food deliveries have increased across the Nordic region, particularly in the larger cities. This is partly a consequence of self isolation in response to COVID-19 and has increased demand for cold-storage space for groceries and so-called "dark kitchens", properties used for the preparation of delivery food with no public access. Dark kitchens belong to the industrial/logistics segment rather than the hotel and restaurant segment within the real estate sector. Grocery shopping online accounted for only 3% of online purchases in Europe, 2% in the Nordic countries, and 7% in the UK at the end of 2019, according to Savills. The proposed establishment of Amazon in Sweden could trigger further growth of e-commerce as could efforts by domestic e-commerce traders to improve their product range in response. As the nascent online grocery business matures, so the need for further cold storage facilities will grow. Many are completely automated and others are already under construction but there could be local, smaller newbuild, initiatives as well to cater for local demand. Although all regional online food markets are already highly consolidated, the substantial investments required to build appropriate facilities could lower the number of players even further.

For a comprehensive overview of the shift from physical retail to online shopping and its implications for Nordic real estate, please see *Nordic Credit Rating: Retail Properties Under Pressure*, published on 5 Sep. 2019.

Figure 5. E-commerce penetration - Sweden vs. UK, 2019



Based on Savills data

Continued globalisation and trade growth – with a caveat

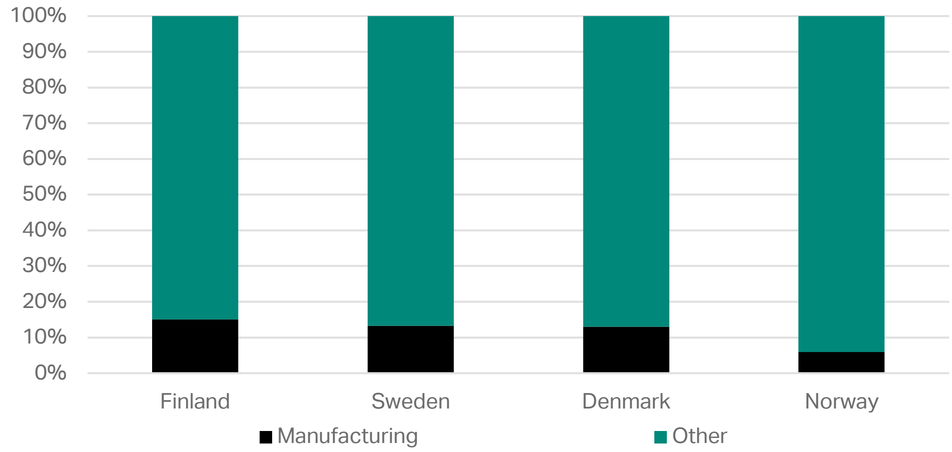
Growing global trade and new trade initiatives such as China's belt and road project are important long-term drivers for the wider logistics industry, despite prospective setbacks such as the rumbling US-China trade dispute, hurdles facing the UK's attempts to secure a trade deal with the EU, and the general increase in economic nationalism.

Despite the impact of COVID-19 on demand for industrial logistics, industrial organisational changes could spur development of new logistics properties. While many industrial companies have felt an increasing need to relocate manufacturing facilities and reorganise supplier networks as a consequence of the pandemic, which effectively impeded flows of goods, especially from important producers such as China, there is little evidence that global trade will go into permanent decline as any decrease in output would likely make production less efficient and more costly. Moreover, China and other east Asian countries could respond by adopting the so-called "China plus one" strategy under which manufacturing would still be located in China but with another alternative location available in the event of a major disturbance. Such a strategy could strengthen east Asian production abilities and export capacity against those of western economies. That said, in logistics terms such trends could actually increase the need for floorspace and logistics locations in the Nordic region as suggested by critical growth in local inventory build-up and warehouse congestion early in the pandemic.

There is a strong likelihood that existing terminal areas near regional hubs will be enlarged and that new such areas, for instance in parts of south Finland, and the Gothenburg and Stockholm areas, will be developed due to factors such as China's belt and road initiative and manufacturing insourcing. Large combined terminals and third-party logistics centres could play a key role in the expansion of the wider logistics sector as could local warehouse upgrades, such as automation to increase handling efficiency to enable better replenishment and lower the risk of labour shortages.

Although we see little reason to believe that Nordic manufacturing will increase materially as a share of economic output due to the advanced nature of the region's economies, the absolute volumes of insourced production (given current trade disputes) could increase, with Denmark, Finland and Sweden having the greatest potential for increased logistics properties connected with the manufacturing sector. Increased capacity for assembly in multiple locations could buoy demand for certain types of logistics properties. Conversely, in Norway, structural changes in the energy sector could lower demand for industrial logistics properties catering to that sector.

Figure 6. Nordic manufacturing as a percentage of national GDP, 2018



Based on CBRE data

Many of the possibilities described above are being enabled by new technologies and processes such as autonomous and automatically guided vehicles, automatic storage and retrieval systems, the internet of things, and machine learning, and could prove a major benefit to logistics property management.

LOCATION INCREASINGLY KEY TO SUCCESS

Finland, Norway and Sweden are key logistics locations. In particular, Gothenburg plays a key role as the most important regional logistics hub with several sea-road facilities and warehouses for large corporates such as the Volvo companies.

Second to Gothenburg are the combined cargo terminals of Copenhagen's Kastrup airport (the largest airport in the region), Arlanda airport in Stockholm and Helsinki's Vantaa airport. Other ports which play a major role are the Swedish port of Nynäshamn, which handles shipments from eastern Europe, Oslo, and the specialized Norwegian ports of Stavanger and Narvik. Helsinki in Finland is an important hub for road and sea transport to eastern Europe and Vantaa airport is a major hub for east Asian cargo. Oslo's Gardermoen airport handles high levels of air cargo imports while its exports consist mostly of frozen fish thanks to a nearby cold-storage hub.

In terms of road transport, Denmark, and especially Copenhagen and the Billund area (the so-called Triangle Area) is a major transit hub between central Europe and Scandinavia given the vast road network connecting the country with Germany and Sweden. Logistics centres located on routes from Denmark to Stockholm include Helsingborg, Malmö and Trelleborg, which play a major role in sea transport from Germany, Poland and other parts of Europe. The main landlocked hubs in Sweden include Småland (Jönköping-Nässjö-Vaggeyd), which provides e-commerce storage/distribution facilities, imported industrial goods, and third-party logistics for local companies. They also include Örebro (including the rail hub of Hallsberg), which has a similar profile. Örebro is strategically located on the main road between Gothenburg and Stockholm and has one of Sweden's busiest air cargo terminals. The Östergötland region, in particular the cities of Linköping and Norrköping, is becoming increasingly important given its location along the E4 highway corridor, a port enlargement project at Norrköping, and the presence of Skavsta airport outside Nyköping, which operates cargo flights. Minor road hubs include the cities of Borås and Västerås, which cater to specialist industries in their respective regions.

As a result of urbanisation, other demographic shifts, the rapid increase in e-commerce, and relatively good regional rail and road networks, most of the smaller hubs have been or are likely to be displaced by larger hubs near large cities such as Copenhagen, Helsinki or Stockholm. Difficulties counteracting this trend include a need for large land areas, which are in short supply, difficulty in obtaining zoning permission in areas near cities, and a lack of staff in locations where unemployment is low and housing expensive. For this reason, certain critical hubs outside the region's larger cities are likely to continue to expand. North Sweden and much of Finland outside the coastal areas and Helsinki lack big logistics hubs while local hubs could attract investment to cater for local needs. Conversely, Norway, whose topography hinders effective rail and road transport in parts of the country, is likely to retain more small local logistics hubs than other parts of the region. Exceptions include facilities serving the country's oil and gas industry and fish farms. Logistics is largely a matter of location and it is important to mention local and minor hubs, which often service minor cities and towns across the region. Most smaller hubs are not managed by the larger regional logistics operators and local ownership remains a defining characteristic of the segment.

CHALLENGES EXIST, BUT CAN BE OVERCOME

Major regional logistics services providers such as Denmark's DSV, its European peer Kuehne & Nagel, and international operators such as DHL, have reported weaker air, sea and truck freight volumes over the past few months, largely due to COVID-19. However, there are signs that the European logistics sector has been regaining momentum since May.

Global trade flows and patterns are likely to remain robust despite indications that the Nordic countries have entered a cyclical slowdown with lower industrial production, slower growth in services, and weakness in the energy sector, which is hitting Norway's petroleum industry. A further positive factor is the rapid growth of e-commerce across the region. In addition, the Nordic countries have small open economies with highly international characteristics and face no direct impact from the US-China trade dispute.

So far there is little evidence that the COVID-19 slowdown has seriously impacted the logistics property segment. One key reason could be that the initial outbreak generated increased demand for storage space as cargo flows were interrupted, with demand further boosted by the possibility that the resulting shutdown might be lengthy. Moreover, pent up demand for goods in general and increased preparedness for future shutdowns have increased demand, as has the increase in e-commerce since the outbreak.

Negatively, the segment could be affected by the speculative character of several regional logistics projects and an influx of new investors seeking to enter the market in an aggressive fashion. Speculative projects could negatively affect the supply-demand balance at a local level with a knock-on effect on rents and valuations while there is still a lack of storage space at attractive locations where most new leases are contracted. Despite the speculative character of some logistics newbuilds, there is little evidence of a downturn in the segment.

Given the increased prospects of a v-shaped economic recovery with the second quarter likely to prove the low point of the COVID-19 downturn, the long-term trends in the segment appear robust and the outlook positive.

THE NORDIC PLAYERS

Historically most logistics properties in the region have been held by companies with a mixed portfolio rather than those specialising only in logistics. In the past it was common for owners of logistics properties to be sole or majority tenants. International investors have become more active in the Nordic market, where previously logistics properties were held to a greater extent by domestic owners. Many newly formed companies have pursued speculative investments in new geographic locations. Often such companies have a short investment horizon, made possible by an increasingly active transaction market and improved availability of storage space.

The largest domestic companies operating in the Nordic region are Castellum, Catena, Corem and Sagax with NREP-Logicenters, US-based Prologis and Logicor among the leading operators from outside the region. The larger players also include several fund structures.

Listed companies (financial data as of 23 Jun. 2020)

- Castellum – listed in Stockholm (market capitalisation: SEK 49.9bn, the second largest real estate company in Sweden). Castellum manages SEK 95.2bn worth of properties throughout southern and central Sweden as well as Copenhagen and Helsinki. The portfolio is 4,255,000 sqm, with SEK 6.2bn in rental value. Logistics represents 16% of the portfolio (the third largest division behind offices and community services). The growth target is 10% yearly. The company has several ongoing logistics projects including projects in Brunna in the Stockholm region and Säve in the Gothenburg region.

- Catena – listed in Stockholm (market capitalisation: SEK 14.3bn, the largest logistics services provider in Sweden). Catena owns SEK 16.9bn worth of properties in most of Sweden's largest logistics hubs in the southern and central part of the country as well as in some smaller towns in the north. The company manages 1,872,000 sqm with SEK 1.2bn in rental value. Logistics accounts for virtually 100% of the company's portfolio. Catena aims to increase values and growth through projects, most of which are in strategic locations, such as the Helsingborg region and central Sweden.
- Corem – listed in Stockholm (market capitalisation: SEK 6.9bn). Corem has SEK 12.4bn worth of properties across southern and central Sweden, with a primary emphasis on Stockholm, Gothenburg and the Skåne region. The company manages 962,000 sqm and has SEK 914m in rental value in its portfolio. Logistics accounts for 71% of the portfolio in addition to smaller amounts of office and retail property. Corem has grown rapidly through transactions and projects but has recently re-focused on larger sites.
- Fastpartner – listed in Stockholm (market capitalisation: SEK 13.8bn). Fastpartner owns properties valued at SEK 29.9bn in a variety of categories throughout central Sweden and the Stockholm area. The total area under management is 1,532,000 sqm with SEK 1.7bn in rental value. Logistics accounts for 17% of the portfolio. The company has grown organically via projects and acquisitions and intends to stick to its mixed-property strategy with several projects in the pipeline.
- NP3 – listed in Stockholm (market capitalisation: SEK 4.7bn). NP3 own properties valued at SEK 11.7bn in a variety of categories. The company has a primary focus on the northern part of Sweden. The total portfolio is 1,380,000 sqm with SEK 1.0bn in rental value. Despite some growth through acquisitions, logistics represents only 7% of the portfolio.
- Nyfosa – listed in Stockholm (market capitalisation: SEK 11.9bn). Nyfosa manages SEK 24.8bn worth of properties in a variety of categories in several municipalities throughout Sweden. The focus is on municipalities with positive population growth and in important transit hubs. The area managed is 2,222,000 sqm with SEK 1.4bn in rental value. Logistics comprises 30% of the portfolio. Nyfosa is a relative newcomer and has a transaction-intensive strategy.
- Platzer – listed in Stockholm (market capitalisation: SEK 9.7bn). Platzer manages commercial properties worth SEK 21.2bn within the Gothenburg region. The lettable area is 825,000 sqm, with SEK 1.1bn in rental value. Logistics represents 31% of portfolio. Platzer plans to expand within the Gothenburg region via selective acquisitions and projects.
- Sagax – listed in Stockholm (market capitalisation: SEK 43.3bn). Sagax manages properties worth SEK 37.4bn. It has exposure to industry and logistics in several large western European cities but focuses primarily on the Nordic region. The total area of the portfolio is 3,297,000 sqm with SEK 3.1bn in rental value. Pure logistics accounts for 5% of the portfolio while the company also has exposure to various industries and companies partly engaged in logistics. Sagax acts opportunistically and plans continued growth in several European countries, partly through joint ventures (JVs) in other real estate segments.
- Stendörren – listed in Stockholm (market capitalisation: SEK 3.4bn). Stendörren manages SEK 9.3bn worth of properties mainly within light industry and logistics. The company's lettable area is 737,000 sqm with SEK 590m in rental value. Logistics (including light industry) represents 66% of the portfolio. Stendörren has been re-focusing its property portfolio and the main focus is now on central Sweden and the Stockholm region in particular.

The more important unlisted companies

- Bockasjö – Two private investors hold 100%. The company has about SEK 1.7bn worth of real estate assets (after recent divestments) of which the majority are logistics properties. It operates mainly in western Sweden but has made some inroads into central Sweden and the Stockholm area. Bockasjö is an active participant in JVs and projects aimed at expanding its portfolio.
- NREP-Logicenters – Owned by Danish asset manager NREP, with a 100% focus on logistics in the Nordic region. The company manages about 1700,000 sqm of properties, mostly located

in key logistics hubs in Finland and Sweden. It has a substantial project portfolio and over 70% of currently managed properties are self-developed.

Other important players

Other unlisted companies with exposure to the logistics sector include:

- Axfast, a Swedish property company run by the Ax:son-Johnson family. It owns some logistics properties in the Stockholm region;
- Bråviken, a Swedish real estate arm of Norway's Pareto Securities now divested to a foreign investor;
- Kilenkrysset, an entrepreneurial mixed-property company with logistics properties located mainly in central Sweden;
- Wilfast, a privately held company focusing on commercial properties mainly in southern Sweden;
- SLP, an entrepreneurial company focusing on light industry and logistics properties mainly in southern Sweden; and
- Slättö, a mixed-property asset manager that indirectly own properties across Sweden including recently acquired logistics assets.

The segment includes several small local players and property companies, most of which are privately held, and foreign investors. In addition, various municipalities own community logistics properties and participate in JVs. Many JVs have been formed in the segment to enable easy access to project financing.

Foreign logistics property providers include Prologis of the US which manages about 800,000 sqm of logistics properties across the Nordic region, but mainly in the larger logistics hubs in southern and central Sweden. Prologis has made several large acquisitions, including Logistikfastigheter i Sverige AB in 2019. In addition, German funds DWS and GLL Real Estate, as well as Chinese-controlled Logicor, which manages about 1,300,000 sqm, have been growing rapidly in recent years and manage logistics properties primarily in Finland and Sweden. Mixed-property investors include UK fund manager Aberdeen Standard, US private equity company Blackstone, and international fund manager M&G. Such players also engage in JVs to secure private equity capital and gain direct access to the segment rather than investing in the shares of listed entities.

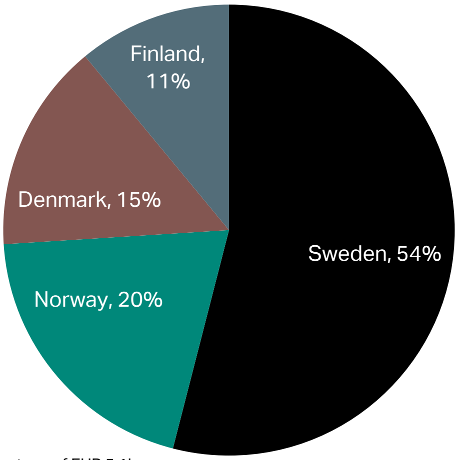
Operator and tenant ownership

A substantial number of regional logistics facilities are operator and tenant owned, in contrast with many other segments of the real estate sector. In tandem with growth in the segment there has been an increase in ownership by regional operators such as APM Terminals, ICA/ICA Fastigheter, and S-Group, and non-regional freight forwarders such as DHL and Kuhne & Nagel. State-held companies such as Norway's railway facility manager Bane NOR, its Swedish counterpart Jernhusen, and Swedish airport owner Swedavia Fastigheter are both owners and users.

DEBT FINANCING

While some of the companies active in the logistics property segment are listed and have access to the equity market, most have a combination of secured bank lending and market financing in the form of commercial paper, bonds, and/or hybrid instruments. Some small companies are also financed by private equity investments or pension plans, while many minor companies have managed to attract significant project financing. The logistics property transaction market is also strong and looks set to remain so despite the impact of COVID-19, according to real estate consultancy JLL. The share of transactions of Nordic logistics properties in total regional property transaction volumes has grown steadily and is now above 10%, according to Colliers.

Figure 7. Nordic region logistics property transactions in the last 12 months by country*



Based on CBRE data. *As a percentage of EUR 5.1bn

All of the listed companies mentioned above have access to both bank and market funding, though access to secured bank financing depends largely on the quality of the individual company's bank relations and track record. The larger companies, including those with credit ratings, have the widest combination of financing abilities through commercial paper and medium-term note programmes. Corem, Fastpartner, NP3 and Nyfosa enjoy unsecured debt funding in the form of bonds while Stendörren has a combination of unsecured bonds and hybrid financing. Notably, a few companies (Corem, Fastpartner, NP3 and Sagax) use equity financing via preference shares, which we treat as a combination of equity and debt, and in one case D-shares (Sagax).

Non-listed companies and smaller operators in the sector are often financed by closely held founders' equity and secured bank loans, while fund structures use invested pension funds and other sources of private capital. State-held enterprises ultimately rely on financing from taxes though they are technically corporations. Operators such as Bane NOR Eiendom, Jernhusen and Swedavia also have access to the bond markets in addition to secured bank lending.

As in most real estate segments across the Nordic region, the logistics real estate segment has an increased focus on green financing. While many of the larger operators in the segment already have a green financing framework, it can be difficult to obtain the requisite certification for older logistics properties. For this reason, some companies might have to upgrade their portfolios to obtain green financing.

In our opinion, Nordic logistics property companies are likely to face lower financing costs than previously as interest rates look set to remain at historically low levels, spreads have started to normalize since the onset of the COVID-19 pandemic and the logistics sector itself has begun to mature with several of the more established players having large portfolios of high quality properties. This holds particularly true for operators with a balanced risk approach to projects and a disciplined attitude to increasingly expensive acquisitions. Moreover, increased use of green financing is likely to moderate total interest costs.

RATINGS

At present, the only major regional companies in the Nordic logistics sector to obtain credit ratings are Castellum, Fastpartner and Sagax. Catena and Platzer have access to financing via rated Svensk Fastighetsfinansiering. Sweden's publicly held Jernhusen is also rated. Rated foreign players active in the Nordic region include DWS, Logicor, and Prologis.

As in other segments, there is an increasing need for diverse financing, including market financing and hybrids or similar instruments. Accordingly, the need for credit ratings could increase.

DISCLAIMER

NORDIC CREDIT RATING AS

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OSLO	STOCKHOLM
Biskop Gunnerus' gate 14A	Engelbrektsgatan 9-11
0185 Oslo	114 32, Stockholm
Norway	Sweden