

Vacse AB (publ)

Full Rating Report

LONG-TERM RATING

A-

OUTLOOK

Stable

SHORT-TERM RATING

N2

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RATING RATIONALE

Our 'A-' long-term issuer rating on Swedish community service property manager Vacse AB (publ) reflects the company's strong portfolio of modern, tailor-made properties leased on long contracts to highly creditworthy public-sector authorities that are essential to Sweden's public security. It also reflects its high operating efficiency and virtually 100% occupancy rate. We take a positive view of the company's low development risk as projects are carried out on fixed-price contracts, typically with payment upon completion. The rating is supported by Vacse's long fixed-interest periods, strong liquidity and balanced debt maturity profile. It is also underpinned by strong owners with a commitment to maintaining a stable financial risk profile.

These strengths are offset by the limited number of Vacse's properties (26) and tenants, with the top 10 tenants generating most of the company's revenues. We believe the concentrations in Vacse's portfolio create some risk at contract expiry, although the risk is low due to negligible lease maturities over the next few years.

STABLE OUTLOOK

The stable outlook reflects our expectation that Vacse will continue to grow through contracted acquisitions of development projects while maintaining its low risk financial profile. We anticipate interest coverage and debt to operating cash flows will remain strong, supported by stable long term rental contracts with solid counterparties. The outlook also incorporates our view that Vacse will maintain a conservative approach to risk management.

POTENTIAL POSITIVE RATING DRIVERS

- Stronger credit metrics, together with significant portfolio growth and diversification that do not compromise low-risk business profile.

POTENTIAL NEGATIVE RATING DRIVERS

- Net loan to value (LTV) above 45% or EBITDA/net interest below 3.5x over a protracted period.
- Deviation from low-risk business profile.
- Adverse change in ownership or increase in owners' risk appetite.

Figure 1. Key credit metrics, 2021–2027e

SEKm	2021	2022	2023	2024	2025e	2026e	2027e
Total revenue*	459	490	559	615	678	706	767
EBITDA	352	360	415	433	485	512	557
EBITDA margin (%)	76.7	73.4	74.2	70.3	71.5	72.4	72.7
Investment property	8,928	9,348	9,754	10,306	10,996	12,178	12,498
Net debt	3,325	3,496	3,501	3,691	3,216	3,962	3,788
Total assets	9,506	9,886	10,279	10,769	12,034	12,981	13,476
Net debt/EBITDA (x)	9.4	9.7	8.4	8.5	6.6	7.7	6.8
EBITDA/net interest (x)	5.8	5.5	4.9	4.5	5.0	4.8	5.1
Net LTV (%)	37.2	37.4	35.9	35.8	29.2	32.5	30.3
FFO/net debt (%)	8.3	8.3	8.6	9.1	11.4	9.6	11.1

Source: company and NCR. e=estimate. FFO=funds from operations. All metrics adjusted in line with NCR methodology. *Includes service fees and other rental-related income.

ISSUER PROFILE

Vacse is a Swedish property manager focused on community service properties leased under long-term contracts to agencies of the Swedish government (mainly the police, custody services and courts administration) and municipalities. The company was founded in 2009 by pension foundations associated with Apoteket AB, Atlas Copco AB, Ericsson AB, Sandvik AB, Skanska AB, Stora Enso AB and AB Volvo. On 20 Dec. 2022, Volvo Personvagnars Pensionsstiftelse acquired Atlas Copco Pension's stake in Vacse, resulting in two separate Volvo pension funds holding stakes in the company. On 4 Apr. 2025, Vacse raised new equity, adding Telia Pensionsstiftelse to the ownership base. As of 30 Sep. 2025, the company's property portfolio consisted of 26 properties valued at a total of SEK 11.0bn.

BUSINESS RISK ASSESSMENT

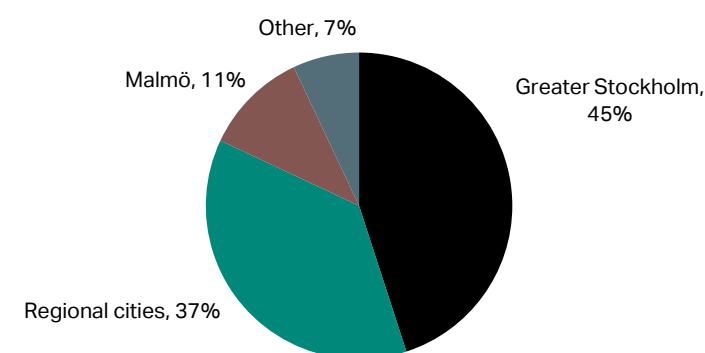
Our business risk assessment reflects Vacse's modern portfolio, high operating efficiency, and mainly government-funded public-sector tenants. It also reflects the company's long remaining lease terms at its virtually 100%-occupied properties. Tenant concentration and overall size offset some of these strengths.

Highly creditworthy tenants and strong market fundamentals support operating environment

Operating environment

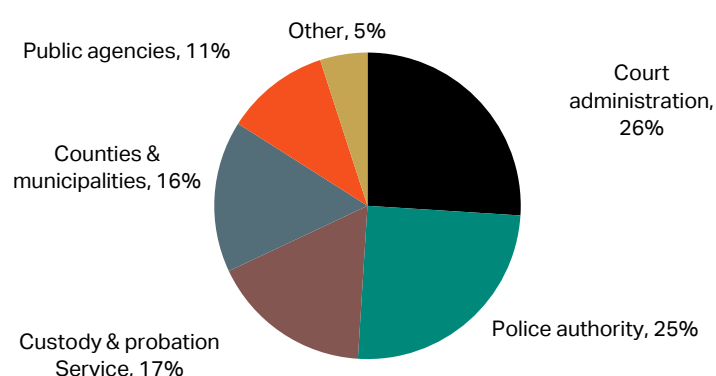
Vacse operates in the Swedish community service property market, with revenues almost exclusively derived from public and government bodies. The sector has undergone a structural shift in recent years and about 25% of public-sector tenant properties are now owned by private companies. An increasing number of Swedish municipalities are heavily debt-laden with limited possibilities to increase tax revenues, which supports a greater transfer of ownership to private-sector property managers. However, the appropriateness of private ownership of public infrastructure has been heavily debated after record high lease indexations in 2022 and 2023 along with large divestments to foreign investors. Geopolitical tensions have also contributed to highlighting the importance of long-term domestic ownership of critical social infrastructure. Shifting market dynamics have resulted in some municipalities taking the opportunity to buy back previously leased properties. We expect a larger proportion of lease contracts to contain a right-of-first-refusal clause. We believe, however, that private ownership can play a role when municipalities or government bodies are unable to meet the demands of changing demographics and are unable to expand social infrastructure sufficiently by themselves to meet their social welfare commitments.

Figure 2. Property value by area, 30 Sep. 2025



Source: company.

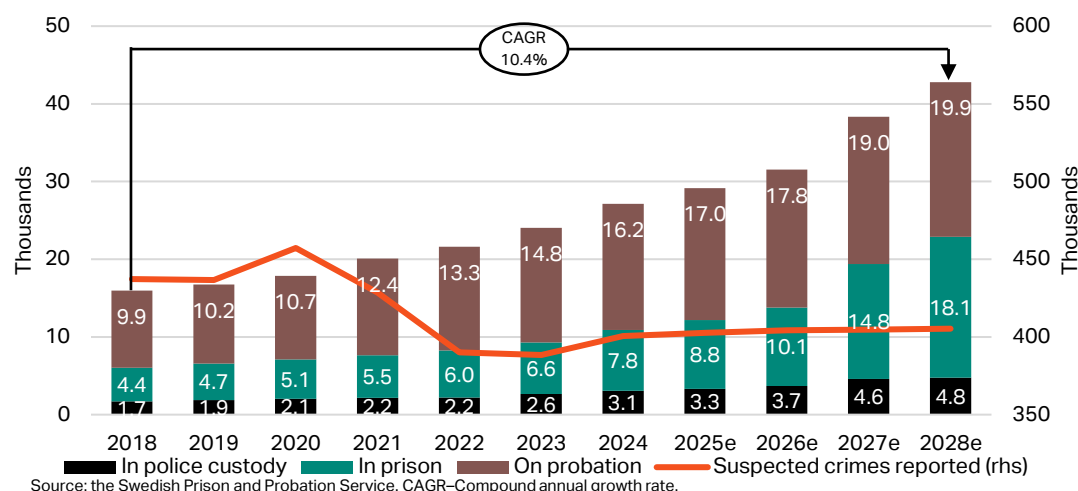
Figure 3. Rental value by tenant type, 30 Sep. 2025



Source: company.

Historically, Vacse has proven successful in acquiring and developing properties for community services such as custody, court and police authorities. We view most of the company's tenants as essential to domestic public security, and our understanding is that most political parties in Sweden are committed to increasing resources for the police and judiciary. The need for law enforcement services is also increasing; Swedish prisons are at maximum capacity, while levels of processed crimes and probationary sentences are likely to increase (see Figure 4). The number of places in jails and prisons are estimated to increase threefold from current levels by 2033.

Figure 4. Swedish crime statistics, 2018–2028e



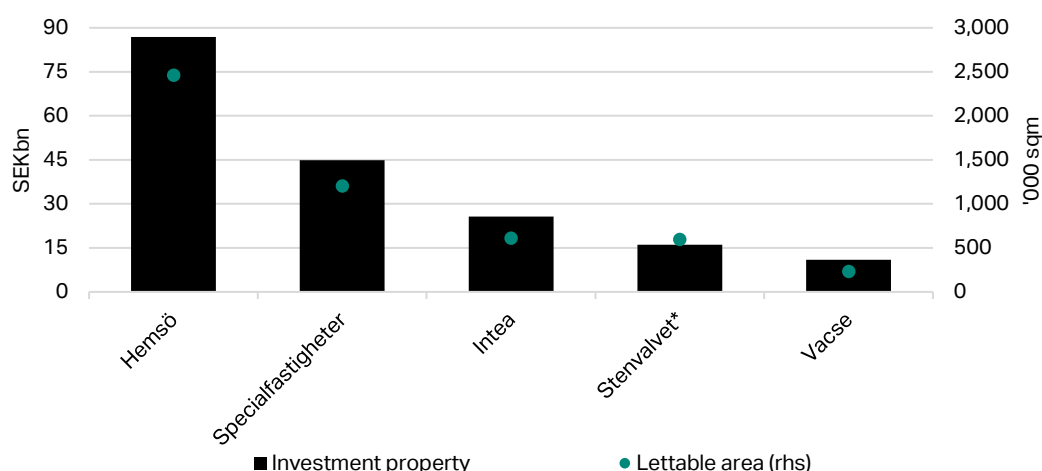
Vacse's portfolio is concentrated in municipalities with strong projected demographics with most of its largest municipal exposures having greater population growth than the national average. The company's largest municipal exposure, Sollentuna, benefits from strong demographics in nearby Stockholm and the capital's importance within the judicial system. We see the company's exposure to growth regions as supportive of long-term demand.

Niche market position strong despite limited size and high portfolio concentrations

As of 30 Sep. 2025, Vacse's property portfolio consisted of 26 buildings totalling 229,700 sqm with a market value of SEK 11.0bn. Most of the properties are located in the Greater Stockholm region (45%), with the municipality of Sollentuna just north of the capital representing the largest single exposure. In Sollentuna, three adjacent properties provide complementary community services, including custody and probation services and the national courts administrator.

Vacse is small in comparison with the broader Swedish real estate sector and relative to its peers (see Figure 5). As a result of its limited geographic scope and concentration of assets, Vacse is more sensitivity to location or tenant-specific developments than some of its peers. However, the company has gained a strong foothold in a niche market. The focus on specialised properties with relatively low substitution risk supports the company's market position. Some tenants occupy multiple buildings in several locations, and the company's long-term focus and stable ownership profile supports long-term contracts with demanding, socially important tenants.

Figure 5. Peer group breakdown by property value and lettable area, 30 Sep. 2025



Vacse's largest tenants generate most of the company's revenues. While the tenant concentration is significant, the quality of the tenants reduces this risk, in our view. We regard virtually all of the company's tenants as highly creditworthy, as 99% of revenues are funded through regional or national government budgets.

Market position, size and diversification

Figure 6. Tenant concentrations, 30 Sep. 2025

Tenant	Type of tenant	Share of rental income, %
Swedish National Courts Administration	Public	26
Swedish Police Authority	Public	25
Swedish Custody and Probation Service	Public	17
Swedish Board of Agriculture & Swedish Forest Agency	Public	6
The Swedish Civil Contingencies Agency	Public	3
The Swedish National Board of Housing, Building and Planning	Public	2
The National Library of Sweden	Public	2
Swedish Municipalities	Public	8
Swedish Regions	Public	8
Other	Public/private	3

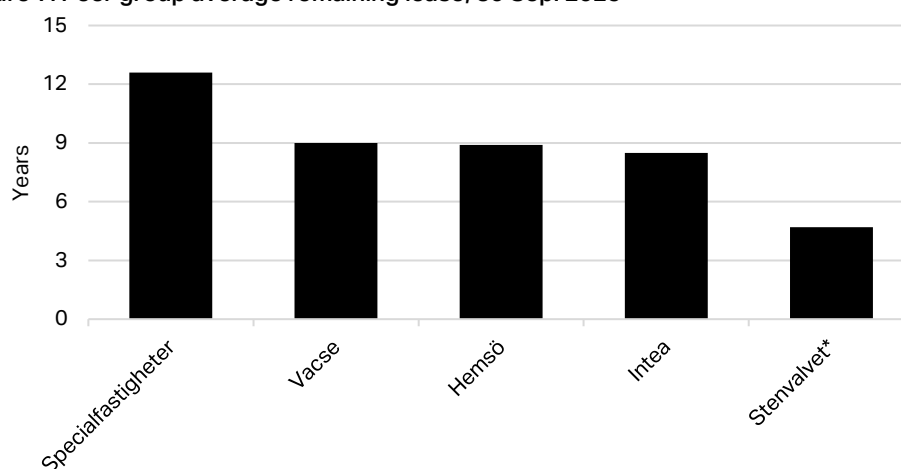
Source: company.

Long-term contracts and custom-built properties foster tenant loyalty

Portfolio assessment

Most of Vacse's properties are custom-built and highly specialised, encouraging tenant loyalty. The portfolio consists of high-quality, modern properties, with a long average remaining lease term of 9.0 years as of 30 Sep 2025. Lease maturities are generally diverse. We view the likelihood of tenant churn as low, due to high operational inertia among tenants and their demand for specialised facilities, making them less likely to relocate. We see the company's lease maturity profile as positive for stability. However, restrictions on government agencies' ability to renew contracts with lease terms longer than six years without government approval may lead to a declining average lease maturity profile over time, as fewer new builds are added to Vacse's portfolio compared to the operating portfolio. We expect Vacse's average remaining lease term to remain broadly in line with that of its closest peers. However, the remaining lease term is long compared with the broader real estate sector.

Figure 7. Peer group average remaining lease, 30 Sep. 2025



Source: companies. *As of 30 Jun. 2025.

As most of Vacse's tenants are publicly funded, and the Swedish government is committed to the Paris Agreement, we expect the company's tenants to become more demanding in terms of sustainability. As of end-2024, all of Vacse's properties were certified within the BREEAM, Leed or Miljöbyggnad frameworks, and the company aims to obtain similar certifications for all new developments and acquisitions. New tenants might not be forthcoming if current contracts are not extended, and alternative use of specialised properties could result in increased capital spending to adapt properties for new tenants if contracts are terminated. However, we see the company's proactive stance on certification and sustainability as a positive factor in extending contract maturities.

Vacse currently has three ongoing development projects; a municipal hall in Enköping, a district court in Växjö and a health centre in Kalmar. In addition, the company has an early-phase project for the construction of a police station in Täby, a suburb to Stockholm. The company uses forward purchase arrangements for all projects except the police station in Täby, acquiring the properties upon

completion at a fixed price, which reduces development risk and strengthens the company's financial situation during construction. The project development portfolio accounts for a small share of the total property portfolio. We expect development risk to remain low, as new projects are pre-let before acquisition or construction. At finalisation, we expect Vacse's average remaining lease term to increase due to long-dated rental contracts.

Figure 8. Major projects in progress, 30 Sep. 2025

Project	Location	Lettable area (sqm)	Estimated total investment (SEKm)	Estimated completion
Municipal hall	Enköping	3,900	270	Q1 2026
District court	Växjö	10,500	500	Q4 2026
Health centre	Kalmar	3,000	160	Q4 2026
Police house*	Täby	8,000	530	2030
Total	-	26,700	1,440	-

Source: company. *Early-stage.

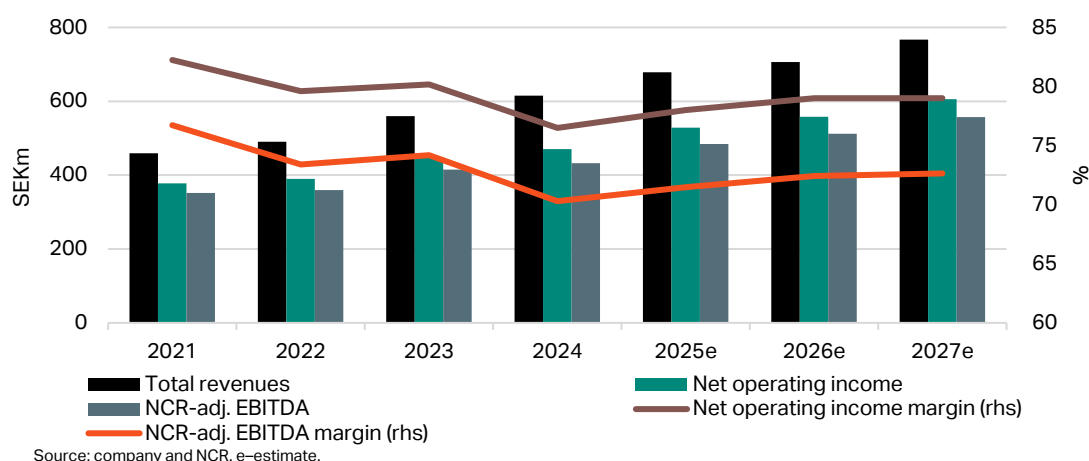
Strong operating margins and high revenue visibility support operating efficiency

Operating efficiency

Vacse's operating efficiency is characterised by the company's long inflation-linked leases, with some ancillary costs passed onto tenants. The long average remaining lease maturity with strong government-related counterparties provides high revenue transparency with negligible downside risk. The company's long contracts guarantee long-term relationships, and tenants are sufficiently strong to absorb any increases in rental payments. We expect Vacse to continue to operate with high occupancy rates of close to 100%.

Historically, Vacse has operated with net operating income margins of over 80% (see Figure 10). However, margins have declined below this level in recent years due to higher costs. We expect the net operating income margin to remain at 78–79% through our forecast period, resulting in an EBITDA margin of 71–73% over the same period.

Figure 9. Revenues, net operating income, EBITDA, and margins, 2021–2027e



FINANCIAL RISK ASSESSMENT

Our financial risk assessment reflects Vacse's modest financial leverage, strong net interest coverage and conservative financial risk management. The company's financial risk profile is supported by its long average debt maturity and long fixed-interest period compared with the broader Swedish real estate sector, along with its long-term, risk-averse ownership.

Among the strongest debt service capabilities in the Swedish real estate sector

Ratio analysis

Over the past few years, Vacse has maintained a strong financial position with NCR-adjusted net LTV of 34–39% and net debt/EBITDA of 7.5–8.9x. We expect the company to maintain a controlled growth strategy, mainly using operational cash flows and a smaller proportion of debt for acquisitions and projects (see Figure 8) to maintain LTV below 40% over time. The company's large proportion of long-

dated inflation-linked rental contracts combined with long fixed-interest periods enable stable debt servicing and interest coverage.

On 4 Apr. 2025, Vacse raised SEK 894m in new equity, reducing leverage. We expect Vacse to use the proceeds for acquisitions and projects as opportunities arise. However, the timing of any increase in net debt remains uncertain, given the company's disciplined approach to acquisitions and typically long lead times before cash outflows. The company has contracted acquisitions in 2026 and a longer-term project for the construction of a police station in Täby, a suburb to Stockholm. We expect related cash outflows of approximately SEK 1.2bn through 2026–2027. We expect Vacse to maintain a sizable cash buffer, supporting a net LTV of approximately 29–33% and interest coverage of 4.8–5.1x over our forecast period ending in 2027. The company's operating cash flow to debt is expected to remain among the strongest in the Swedish real estate sector, with net debt/EBITDA of 6.6–7.7x.

Figure 10. Key base-case forecast assumptions and credit metrics, 2025–2027e

SEKm	2025e	2026e	2027e
Total revenue growth (%)	10.2	4.2	8.6
EBITDA margin (%)	71.5	72.4	72.7
Average interest rate (%)	2.6	2.6	2.6
Capital expenditure (SEKm)	657	1,017	137
Dividend payment (SEKm)	-110	-110	-110
Net debt/EBITDA (x)	6.6	7.7	6.8
EBITDA/net interest (x)	5.0	4.8	5.1
Net LTV (%)	29.2	32.5	30.3
FFO/net debt (%)	11.4	9.6	11.1

Source: NCR. e-estimate. All metrics adjusted in line with NCR methodology.

Figure 11. NCR-adj. investment properties, net debt, and net LTV, 2021–2027e

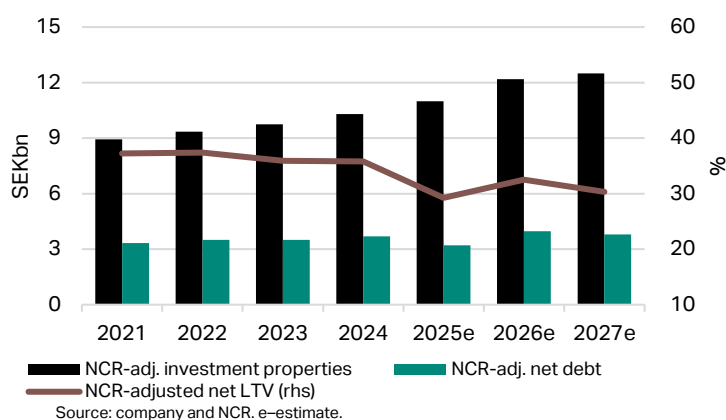
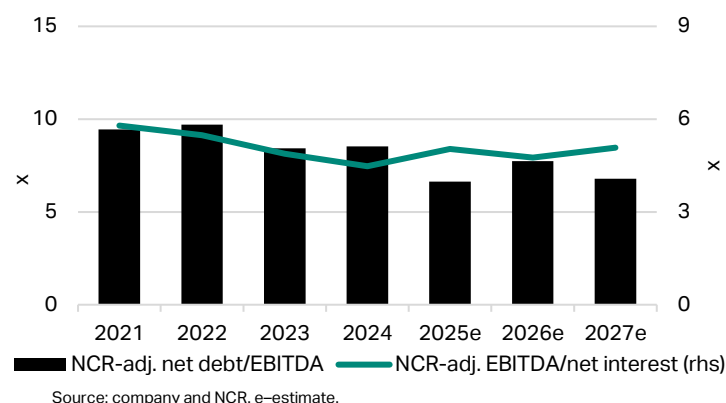


Figure 12. NCR-adj. net debt/EBITDA and EBITDA/net interest, 2021–2027e

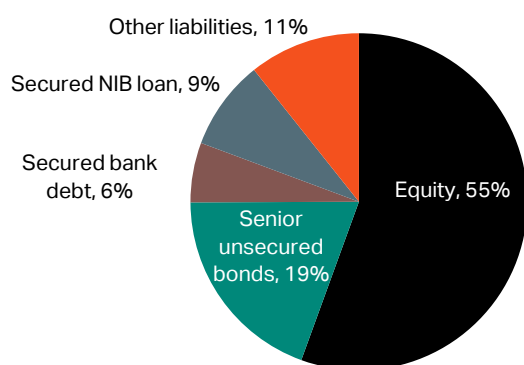


Conservative financial risk management supported by shareholder commitments

We believe Vacse's financial risk management is conservative. This view is mainly supported by the company's strong ownership structure and shareholder commitments. Vacse was created to provide its owners with long-term low risk returns. Following relatively rapid growth between 2011 and 2015, management has been prudent in its approach to growth and financing, in our view. We expect Vacse to maintain a controlled growth strategy and stable financial risk, in line with what we believe to be the owners' objectives. In addition, the company's high proportion of revenues from government-related tenants supports our assessment.

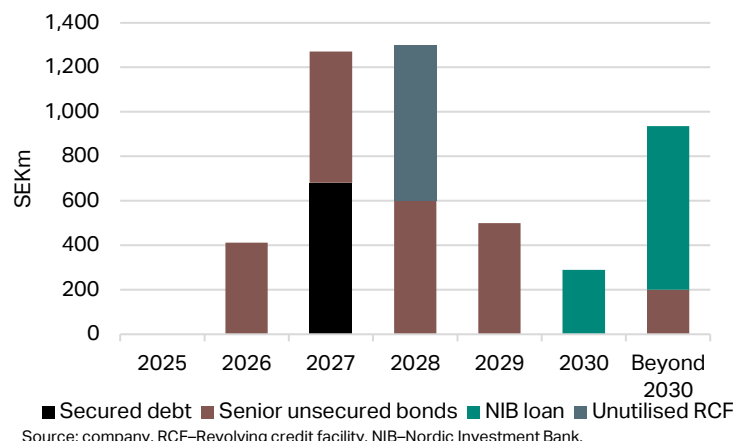
Risk appetite

Figure 13. Funding profile, 30 Sep. 2025



Source: company. NIB-Nordic Investment Bank.

Figure 14. Debt maturity profile, 30 Sep. 2025



Vacse finances its operations through equity, secured bank debt, secured loans from the Nordic Investment Bank, and senior unsecured bonds (see Figure 13). All external financing is through green bonds and loans. The company uses interest rate swaps to limit its exposure to interest rate risk. As of 30 Sep. 2025, the average fixed-interest period was 3.5 years, which we consider to be prudent and supportive of the company's financial risk appetite. We expect Vacse to be less affected by changes in interest rates than its peers, primarily due to satisfactory cash flow generation and long fixed-interest periods.

Vacse has significant exposure to the bond market, but faces limited maturities over the next two years owing to its balanced and long debt maturity profile; its average debt maturity profile of 4.6 years reduces refinancing risk. Vacse has strong access to the capital markets owing to its conservative risk appetite, having been able to issue long-dated bonds at reasonable spreads in the constrained market conditions of 2022-2023 as competitors faced sharply higher spreads and shorter times to maturity. We believe that the company's ability to issue in times of weaker market conditions is an indication of low refinancing risk. The company has a committed credit facility of SEK 700m which could be used for refinancing if necessary. We expect the company to continue proactive refinancing, as demonstrated by the partial repurchase of bonds maturing in 2026 and 2027.

The company remains well within the stipulations of its financial policies. We expect Vacse to retain a significant portion of cash flow for projects and acquisitions, while distributing approximately SEK 110m annually in dividends over the next few years.

Figure 15. Financial covenants, policies and reported metrics

Metric	Common loan covenants	Financial policy/targets	Reported 30 Sep. 2025
Secured debt/total assets (%)	n.a.	<20%	14.4%
Net LTV (%)	≤60%	<50%	35.8%
Interest coverage ratio	≥1.5x	>2x	4.8x
Average debt maturity	n.a.	>2 years	4.6 years*
Average interest rate maturity	n.a.	>2 years	3.5 years

Source: company. *Including RCF. n.a.-Not applicable.

ADJUSTMENT FACTORS

Adjustment factors

Adjustment factors are assessed as neutral and have no effect on the rating.

Liquidity

Liquidity

Our 12-month liquidity analysis is based on a stressed scenario in which the company cannot access the capital markets or extend bank loans, and therefore has to rely on internal or committed external funding sources to cover its liquidity needs. We typically expect a company with an investment grade rating ('BBB-' or above) to cover its liquidity needs, with limited need for external funding over the coming 12 months.

We assess Vacse's liquidity position as adequate, supported by net sources to uses of SEK 1.5bn for the 12 months to 30 Jun. 2026. The company has a diverse funding profile and good relationships with major Swedish banks, along with strong owners that have provided funding for the company when needed. Furthermore, the company has significant shareholder commitments which we believe could be made available to ensure sufficient liquidity, if necessary. We expect Vacse to continue to operate with surplus sources/uses on a sustained basis.

Figure 16. Liquidity analysis (stressed scenario) 1 Jul. 2025–30 Jun. 2026

Liquidity, next 12 months	Amount (SEKm)
Cash and cash equivalents (100%)	642
Adjusted FFO (75%)	373
Unutilised credit facilities	700
Unutilised shareholder commitments	613
Total sources	2,235
Repayment of borrowings	-457
Committed capital spending	-270
Total uses	-727
Sources/uses (x)	3.1
Sources-uses (SEKm)	1,509

Source: company and NCR.

Environmental, social and governance factors

ESG factors

Vacse's environmental, social and governance (ESG) policies support our view of the company's overall business risk and competitive position. The company has demonstrated a commitment to environmental issues through certification targets, which we view as increasingly important for its government-related tenants.

Since 2021, Vacse has pursued a sustainability strategy with a focus on responsible business, sustainable properties, and social benefits. The company aims to achieve climate neutrality through its entire value chain by 2045 and has made a commitment to the Science Based Targets initiative (SBTi), which increases transparency. The focus on certification provides further debt diversification opportunities and increases the likelihood that its properties will retain their asset values over time, facilitating renegotiation of contracts at maturity. We see this as a positive factor in our portfolio assessment. In addition, Vacse conducts random checks to identify irregularities in its supply chain.

The main ESG issues that could affect our overall assessment of Vacse's creditworthiness are factors that might contribute to loss of revenues, increased costs, higher capital spending, or reduced financing possibilities (see Figure 17). Vacse has demonstrated its commitment to resolving various ESG issues and, in our view, is unlikely to face major ESG problems in the near term.

Figure 17. Vacse ESG considerations

Issue	Risk	Mitigating efforts	Result
CO ₂ emissions	Increased costs due to regulatory and/or taxation changes.	Efforts to reduce CO ₂ emissions through commitment to the SBTi and environmental certification of all properties.	Started to report Scope 3 emissions in 2021. Scope 1 and 2 CO ₂ emissions per square meter are down by 8.4% since 2019. We believe it is too early to draw a conclusion from Scope 3 emissions.
Impact of climate change on operations	Loss of revenues or increased capital spending.	Environmental certification of properties. Climate risk assessment of all properties conducted in early 2022.	As of 31 Dec. 2024, 100% of all properties had been certified. No significant immediate physical or transition risks identified during climate risk assessment.
Increased environmental focus on financial markets	Adverse effect on financing possibilities or higher financing costs due to slow transitioning to lower CO ₂ dependence.	Efforts to increase energy efficiency and reduce CO ₂ emissions. Green bond framework aligned with the UN's sustainable development goals, assigned 'Medium Green' by climate research agency CICERO.	Detailed ESG reporting on energy usage, CO ₂ emissions, water usage and environmental certification of properties. Energy usage down by 28% per square meter since 2019. As of 30 Sep. 2025, all debt was green.

Source: company. See [ESG factors in corporate ratings](#).

OWNERSHIP ANALYSIS

Ownership

We view Vacse's ownership structure (see Figure 18) as supportive of the company's low-risk strategy and solid financial position, which we factor into our assessment through the financial risk profile and overall rating. The owners are pension foundations associated with a number of well-known Swedish blue-chip companies. Supporting factors include:

- financially strong and committed owners;
- an integral role in the owners' long-term investment policy;
- a change-of-control clause that stipulates that the company's bonds must be repaid in full if the current group of owners' collective stake falls below 50%; and
- a history of new equity injections and capital commitments.

Figure 18. Ownership structure, 30 Sep. 2025

Owner	Share of capital and votes, %
Ericsson Pensionsstiftelse	18.7
Skanska Trean Allmän Pensionsstiftelse	18.7
AB Volvo Pensionsstiftelse	14.3
Volvo Personvagnars Pensionsstiftelse	13.1
Apoteket AB:s Pensionsstiftelse	12.5
Stora Enso Svenska Gemensamma Pensionsstiftelse	9.4
Telia Pensionsstiftelse	7.1
Sandvik Pensionsstiftelse i Sverige	6.2

Source: company.

ISSUE RATINGS

As of 30 Sep. 2025, Vacse's gross secured LTV was 16%. We expect the company to keep gross secured LTV below 40% on a sustained basis, as it primarily finances itself using senior unsecured debt and equity. Furthermore, the company's target capital structure allows for maximum gross secured debt to total assets of 20%, supporting our view that long-term subordination risk for senior unsecured bondholders is low. We expect meaningful recovery for unsecured lenders in the event of financial

distress, because of low levels of prior ranking senior unsecured debt. For this reason our rating on Vacse's senior unsecured obligations is commensurate with the 'A-' issuer rating.

SHORT-TERM RATING

The 'N2' short-term rating reflects Vacse's liquidity profile relative to the 'A-' long-term issuer rating. The company's committed sources to uses is 3.1x according to our liquidity analysis, which we see as indicative of an adequate liquidity profile for the long-term issuer rating.

METHODOLOGIES USED

- (i) [Corporate Rating Methodology](#), 8 May 2023.
- (ii) [Rating Principles](#), 14 Feb. 2024.
- (iii) [Group and Government Support Rating Methodology](#), 14 Feb. 2024.

RELEVANT RESEARCH

- (i) [Vacse AB \(publ\) 'A-' long-term issuer rating affirmed; Outlook stable](#), 7 Oct. 2025.
- (ii) [Strong financing climate for Swedish real estate companies in an uncertain environment](#), 16 Sep. 2025.
- (iii) [Swedish real estate snapshot \(Q2 2025\): Compressing credit margins upon refinancing expected to improve interest coverage](#), 1 Sep. 2025.
- (iv) [Swedish real estate snapshot \(Q1 2025\): Strong access to capital contains financial risk](#), 27 May 2025.
- (v) [NCR comments: Vacse AB \(publ\) 'A-' rating unchanged following addition of new owner and equity issue](#), 1 Apr. 2025.
- (vi) [Comparison of NCR-rated community service property managers](#), 9 Dec. 2024.

Figure 19. NCR's adjustments to credit metrics, 2021–2027e

SEKm	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	352	360	415	433	485	512	557
NCR-adj. EBITDA	352	360	415	433	485	512	557
Net interest	-61	-66	-85	-97	-96	-108	-110
NCR-adj. net interest	-61	-66	-85	-97	-96	-108	-110
NCR-adj. EBITDA	352	360	415	433	485	512	557
NCR-adj. net interest	-61	-66	-85	-97	-96	-108	-110
Current tax	-17	-3	-27	0	-22	-23	-26
NCR-adj. FFO	275	292	303	336	366	381	422
Investment property	8,923	9,345	9,752	10,305	10,995	12,177	12,497
Non-current right-of-use assets	5	3	2	1	0	0	0
NCR-adj. investment property	8,928	9,348	9,754	10,306	10,996	12,178	12,498
Cash and cash equivalents	479	176	280	249	808	572	747
NCR-adj. cash and equivalents	479	176	280	249	808	572	747
Gross interest-bearing debt	3,799	3,668	3,779	3,941	4,023	4,535	4,535
Long-term leasing liabilities	5	3	2	0	0	0	0
NCR-adj. cash and equivalents	-479	-176	-280	-249	-808	-572	-747
NCR-adj. net debt	3,325	3,496	3,501	3,691	3,962	3,788	3,216

Source: company and NCR. e=estimate.

Figure 20. Vacse key financial data, 2021–Q3 2025

SEKm	FY	FY	FY	FY	LTM
Period-end	31 Dec. 2021	31 Dec. 2022	31 Dec. 2023	31 Dec. 2024	30 Sep. 2025
INCOME STATEMENT					
Rental income	459	490	559	615	660
Other income	–	–	–	–	–
Total costs from operations	-81	-100	-111	-145	-158
Net operating income	377	390	449	471	502
Administrative expenses	-25	-30	-34	-38	-42
Administrative expenses, project portfolio	–	–	–	–	–
EBITDA	352	360	415	433	460
Share of profit in associated companies and joint ventures	–	–	–	–	–
Interest expenses	-61	-66	-92	-103	-104
Interest income	–	–	7	7	9
Interest expenses, shareholder loans	–	–	–	–	–
Financial costs from leasing	–	–	–	–	–
Other financial costs	–	–	–	–	–
Changes in investment property	1,054	6	-378	159	169
Gain (loss) on financial assets held at fair value	–	–	–	–	–
Disposals of investment properties	–	–	–	–	–
Gain (loss) on derivatives	74	258	-138	-34	0
Depreciation and amortisation	-2	-2	-2	–	–
Restructuring activities	–	–	–	–	–
Income (expense) on discontinued operations	–	–	–	–	–
Pre-tax profit	1,417	556	-188	461	534
Current taxes	-17	-3	-27	–	-20
Deferred taxes	-263	-102	54	-95	-90
Net profit	1,138	452	-162	366	424
BALANCE SHEET					
Investment property	8,923	9,345	9,752	10,305	10,995
Other non-current assets	68	323	184	150	102
Total non-current assets	8,991	9,668	9,936	10,455	11,097
Cash and cash equivalents	479	176	280	249	722
Other current assets	37	42	62	64	57
Total current assets	515	218	343	313	779
Total assets	9,506	9,886	10,279	10,769	11,876
Total equity	4,721	5,073	5,311	5,577	6,598
Non-current borrowings	2,568	2,930	3,240	3,702	3,533
Non-current borrowings, shareholder loans	–	–	–	–	–
Deferred tax liabilities	779	880	829	905	949
Other non-current liabilities	5	3	2	1	1
Total non-current liabilities	3,352	3,812	4,071	4,609	4,483
Total current liabilities	1,433	1,001	897	583	795
Total equity and liabilities	9,506	9,886	10,279	10,769	11,876
CASH FLOW STATEMENT					
Pre-tax profit	1,417	556	-188	461	534
... of which changes in investment property	1,054	6	-378	159	169
Depreciation and amortisation	2	2	-0	0	1
Tax paid	-12	-6	-25	-19	-25
Adjustment for items not in cash flow	-1,132	-263	516	-125	-169
Cash flow from operating activities before changes in working capital	275	289	303	317	342
Changes in working capital	26	54	33	-16	10
Cash flow from operating activities	301	343	336	302	352
Cash flow from investment activities	-698	-415	-743	-394	-956
Cash flow from financing activities	666	-231	511	61	1,041
Cash and cash equivalents at beginning of period	210	479	176	280	285
Cash flow for period	269	-303	105	-31	436
Cash and cash equivalents at end of period	479	176	280	249	722

Source: company. FY–full year. LTM–last 12 months.

Figure 21. Vacse rating scorecard

Subfactors	Impact	Score
Operating environment	20.0%	a
Market position, size and diversification	12.5%	bb-
Portfolio assessment	12.5%	a+
Operating efficiency	5.0%	aa-
Business risk assessment	50.0%	a-
Ratio analysis		a-
Risk appetite		a-
Financial risk assessment	50.0%	a-
Indicative credit assessment		a-
Liquidity		Adequate
ESG		Adequate
Peer calibration		Neutral
Stand-alone credit assessment		a-
Support analysis		Neutral
Issuer rating		A-
Outlook		Stable
Short-term rating		N2

Figure 22. Capital structure ratings

Seniority	Rating
Senior unsecured	A-

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