

Heba

Buybacks in focus

- Supportive buybacks continue
- Discrepancy in interest of direct versus stock exposure
- Reiterating Buy, target price raised to SEK 37 (36)

Low valuation and buybacks

Income from property management and NAV per share were very much in line with our expectations for Q3, growing by 2% and 6%, respectively. We find nothing in the report that surprised us or changes our perception of the equity story. If anything, we appreciate the continued use of its buyback mandate (up to 10%) – repurchasing another close to 5 million shares (~3% of outstanding shares). Given the headroom of the mandate, we hope to see more buybacks in the coming months, as it is likely the most attractive channel of capital allocation for Heba at the moment, given the deep NAV valuation discount.

Property portfolio offers low-risk characteristics

The percentage of foreign capital in Heba's ownership structure has increased gradually for the past two years, and with Heba's recent inclusion in the EPRA Index, interest in the shares could increase further. On a relative basis, we find it interesting that there are several signs of an improved appetite among foreign investors to buy residential properties in the direct market. Instead of investors wanting to buy properties at close to book value, they could get indirect exposure to quality residential through Heba, for instance, in strategically sound locations and at a >30% NAV discount (implying an entry point that is implicitly 18% below Heba's book value).

Neutral take on Q3 figures; Buy recommendation intact

The shares are up 4% in the past month, while the sector is up 9%. We continue to see support for a decent 12-month share performance, motivating a share price potential of above 10%. We make negligible estimate changes as a result of the report, but the adjusted number of shares affects EPS and NAV per share positively. We maintain our Buy recommendation and raise our target price slightly to SEK 37 (36).

Key figures

SEKm	2023	2024	2025e	2026e	2027e
Rental income	566	562	606	627	662
EBITDA adj	365	365	402	419	444
margin (%)	64.5	65.0	66.4	66.8	67.0
Op. net (NOIRE)	402	404	444	458	483
margin (%)	71.0	71.9	73.2	73.0	73.0
Earnings bef value chg	219	224	231	231	245
Income fr property mgmt	219	224	231	231	245
EPS adj (SEK)	1.34	1.34	1.43	1.49	1.58
Y-o-y growth (%)	-7	0	6	5	6
P/E adj (x)	26.5	24.4	22.6	21.6	20.4
P/NAV (x)	0.76	0.70	0.65	0.61	0.58
NAV/share (SEK)	46.4	47.0	49.8	52.5	55.2
ROE adj (%)	3.2	3.4	3.4	3.3	3.3
EV/EBITDA (x)	29.8	30.6	26.2	25.6	24.5
Tot DPS (SEK)	0.52	0.52	0.64	0.74	0.79
Tot div yield (%)	1.5	1.6	2.0	2.3	2.4
Net debt/equity (%)	78.5	89.4	80.2	78.8	77.6
Net debt/EBITDA (x)	13.9	15.8	13.8	13.6	13.2

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)	37.0
Expected total return (%)	14.7

Key data

Share price	
22 Oct, 16:40 CET (SEK)	32.25
Market cap (SEKm)	5,234
Bloomberg	HEBAB SS
Reuters	HEBA.B.ST
Web address	Link
CEO	Patrik Emanuelsson
Next event	4 Feb 2026: FY report

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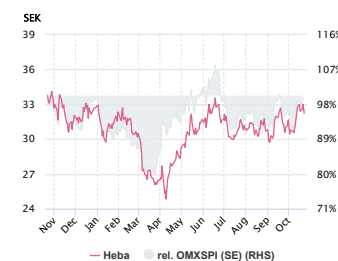
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johan.edberg@handelsbanken.se

Estimate changes

%	2025e	2026e	2027e
Rental income	0	0	0
Inc fr property mgmt	0	0	0
EPS adj	0	3	3

Source: Handelsbanken

Share price – 12 months



Source: FactSet

Share perf. (%)	-1m	-3m	-12m
Absolute:	0.92	6.6	-3.2
Rel. OMXSPI (SE):	-1.4	2.5	-5.3
52w range (SEK):	34.10 / 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	Q3-25 Actual	Q3-25 SHBe	Diff	Q3-24 Actual	y-o-y
Rental income	151	152	-1%	142	7%
Net operating income (NOI)	114	115	-1%	105	8%
<i>NOI margin</i>	<i>75.2%</i>	<i>75.7%</i>		<i>74.2%</i>	
Income from property management (excl. JV)	61	61	0%	60 #	2%
<i>IFPM margin</i>	<i>40.2%</i>	<i>39.8%</i>		<i>42.2%</i>	
EPRA NRV per share	49.0	49.1	0%	46.4	6%

Source: Handelsbanken

Trend analysis

%	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25e
Rental income y-o-y	-4.6	-4.4	-3.9	11.6	11.0	8.5
EBITDA adj y-o-y	-2.9	-3.4	-7.8	18.1	18.1	10.5
EBITDA adj margin	61.1	67.1	68.1	63.4	65.0	68.3
Op. net y-o-y	-1.1	-2.4	-7.1	16.2	15.4	11.6
NOIRE margin	69.0	74.1	74.2	70.2	71.7	76.2
EPS adj (SEK)	0.33	0.37	0.36	0.27	0.34	0.38
EPS adj y-o-y	13.1	7.3	-7.0	-11.2	2.5	2.1

Source: Handelsbanken

Estimate changes

SEKm	SHB Q2 25e	chg (%)	SHB 2025e	chg (%)	SHB 2026e	chg (%)
Rental Income	152.2	n.m	605.9	0	627.3	0
Op. net NOIRE	116.0	n.m	443.7	0	458.1	0
margin (%)	76.2	n.m	73.2	0	73.0	0
Inc fr prop mgt	62.9	n.m	231.5	-0.29	231.3	0.14
EPS (SEK)	0.38	n.m	1.55	-22	2.66	1
EPS adj (SEK)	0.38	n.m	1.43	0	1.49	3

Source: Handelsbanken

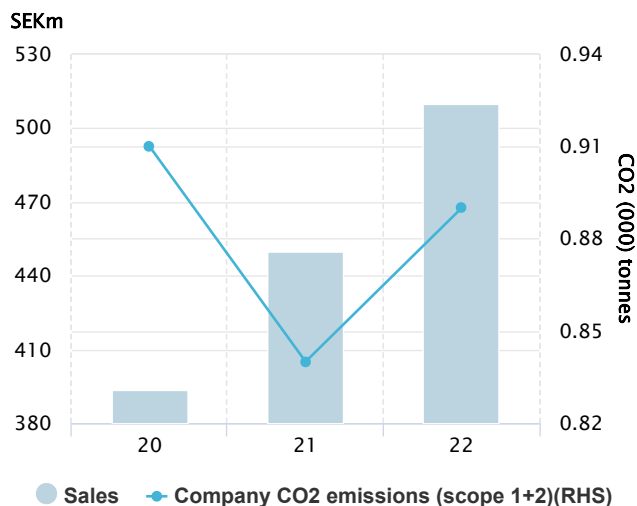
SHB versus consensus

SEKm	Cons Q2 25e	diff (%)	Cons 2025e	diff (%)	Cons 2026e	diff (%)
Rental income	151.7	0	607.5	0	630.1	0
Op. net (NOIRE)	103.1	12.5	404.0	9.8	420.0	9.1
margin (%)	68.0	8	66.5	7	66.7	6
Inc fr prop mgt	124.5	-49	232.2	0	231.0	0
NAV/Share	-	n.m	-	n.m	-	n.m
EPS (SEK)	0.60	-37	1.97	-21	2.63	1
EPS adj (SEK)	0.36	6	1.43	0	1.44	3

Sources: Handelsbanken and FactSet

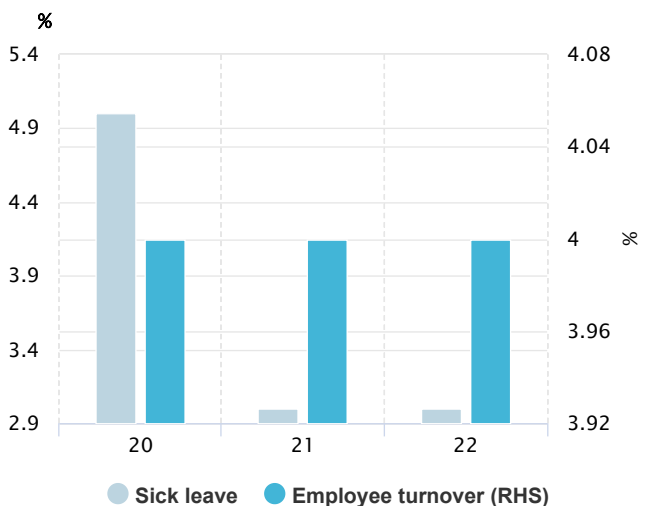
ESG figures

ESG analysis, environmental



Source: Company data, Handelsbanken

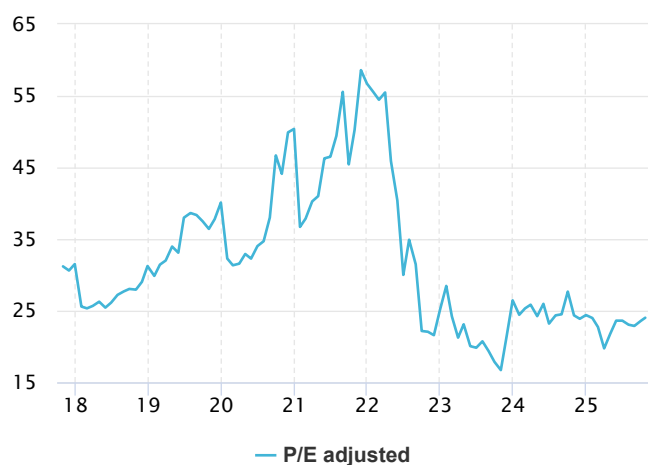
ESG analysis, social



Source: Company data, Handelsbanken

Valuation charts

P/E (x)



Source: FactSet

P/Sales (x)



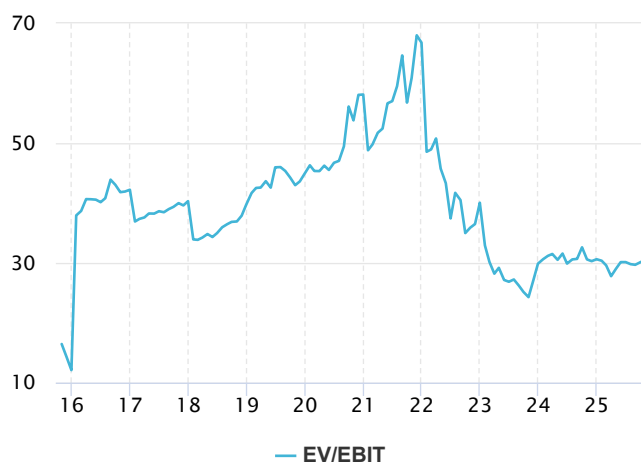
Sources: Handelsbanken and FactSet

EV/EBITDA (x)



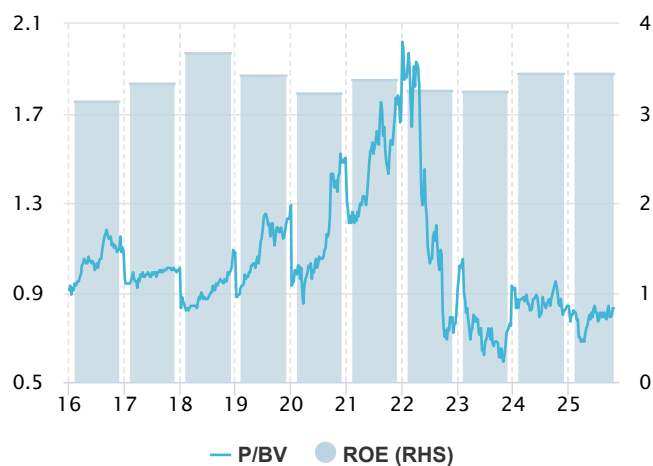
Sources: Handelsbanken and FactSet

EV/EBIT (x)



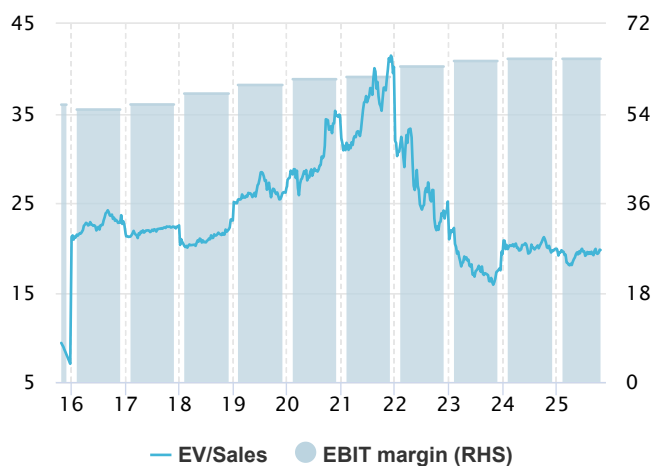
Sources: Handelsbanken and FactSet

P/BV (x) and ROE (%)



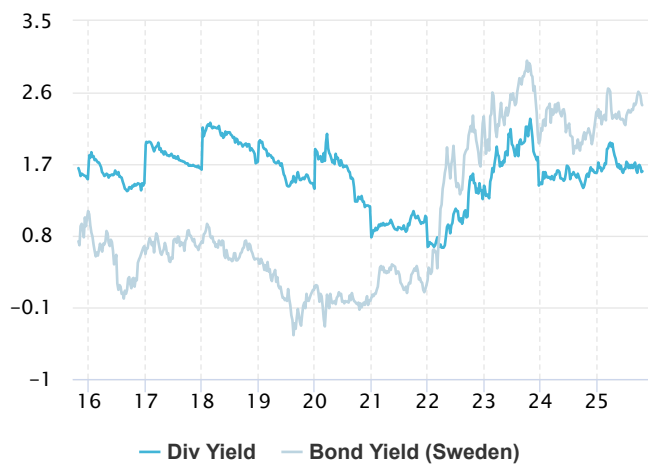
Sources: Handelsbanken and FactSet

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



Sources: Handelsbanken and FactSet

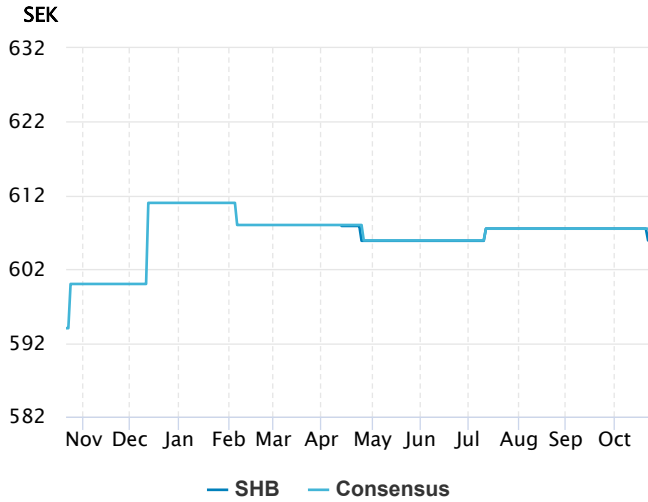
Dividend (ordinary) and 10-year bond yield (%)



Sources: Handelsbanken and FactSet

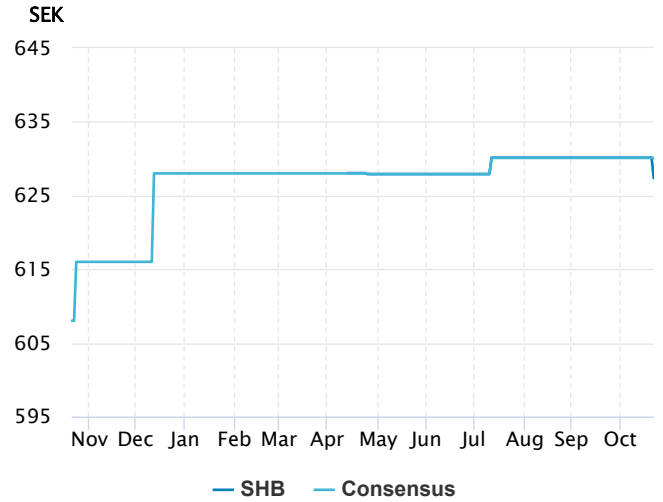
Momentum

Revenue – 2025 estimate revisions



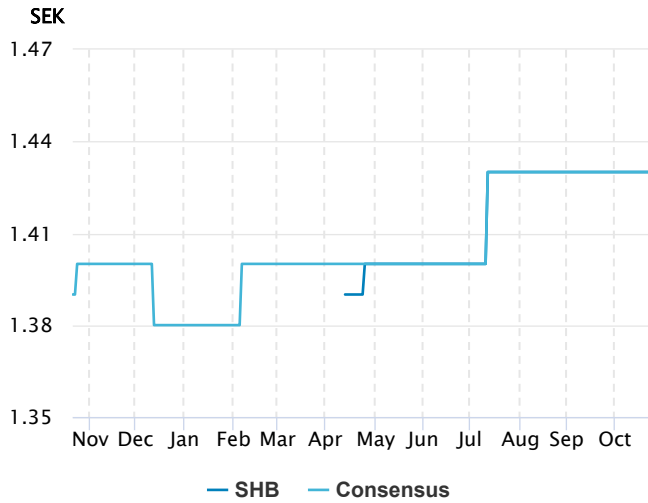
Sources: Handelsbanken and FactSet

Revenue – 2026 estimate revisions



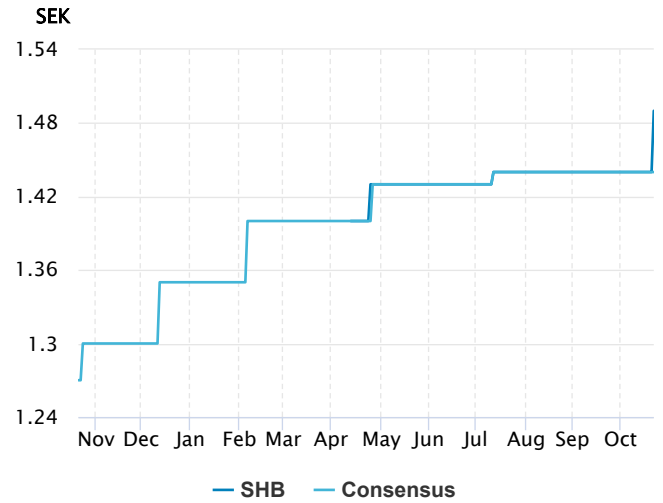
Sources: Handelsbanken and FactSet

Adjusted EPS – 2025 estimate revisions



Sources: Handelsbanken and FactSet

Adjusted EPS – 2026 estimate revisions



Sources: Handelsbanken and FactSet

Valuation data

SEK	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Share price year-end/current	24.3	24.9	28.4	27.7	31.9	43.1	57.3	78.8	36.3	35.5	32.8	32.3	32.3	32.3
Share price high	24.3	25.3	31.2	29.4	33.9	47.0	60.0	83.3	81.4	43.2	38.4	33.7	-	-
Share price low	18.8	21.3	24.3	26.2	26.3	31.5	32.9	51.5	28.6	22.0	30.1	24.0	-	-
Market cap (m)	0.0	0.0	4,468	4,351	5,263	7,117	9,453	13,011	5,994	5,854	5,408	5,006	5,006	5,006
Net debt (m)	0.0	1,913	2,399	3,221	3,532	3,334	4,818	5,866	7,434	5,056	5,764	5,559	5,709	5,872
MV associates (m)	-	35.0	-	-	29.5	34.4	334.4	458.7	457.6	14.3	1.0	1.0	1.0	1.0
EV (m)	n.m	n.m	6,867	7,572	8,766	10,416	13,937	18,419	12,970	10,895	11,171	10,563	10,714	10,877
P/E reported (x)	n.m	n.m	12.0	11.8	8.1	9.8	13.2	8.8	n.m	n.m	54.7	20.9	12.1	11.5
P/E adj (x)	n.m	n.m	37.2	31.5	31.3	40.1	50.4	56.7	25.1	26.5	24.4	22.6	21.6	20.4
P/BV (x)	n.m	n.m	1.12	1.01	1.08	1.29	1.54	1.74	0.83	0.91	0.84	0.72	0.69	0.66
P/NAV (x)	n.m	n.m	0.88	0.80	0.87	1.05	1.25	1.41	0.69	0.76	0.70	0.65	0.61	0.58
ROE adj (%)	n.m	n.m	3.1	3.3	3.7	3.4	3.2	3.4	3.3	3.2	3.4	3.4	3.3	3.3
Pre-tax ROIC (%)	n.m	n.m	2.7	2.7	2.8	2.7	2.4	2.3	2.3	2.8	3.1	3.3	3.3	3.4
EV/sales (x)	n.m	-	23.2	22.6	23.0	26.8	35.4	41.0	25.4	19.3	19.9	17.4	17.1	16.4
EV/EBITDA (x)	n.m	-	42.4	40.5	39.7	44.9	58.1	66.8	40.1	29.8	30.6	26.2	25.6	24.5
EBITDA adj margin (%)	n.m	55.7	54.8	55.8	58.0	59.7	60.9	61.3	63.4	64.5	65.0	66.4	66.8	67.0
FCF adj yield (%)	n.m	n.m	-15.9	-17.3	-3.0	-16.4	-11.5	-11.7	-24.2	-36.5	4.9	-0.46	-1.0	-0.94
Tot div yield (%)	0	1.5	1.4	1.6	1.7	1.4	1.1	1.0	1.2	1.5	1.6	2.0	2.3	2.4
Payout ratio (%)	n.m	n.m	16.9	19.2	13.9	13.7	14.9	9.0	-54.6	-12.1	86.9	41.3	27.9	28.2
Earnings yield (x)	n.m	n.m	0.03	0.03	0.03	0.02	0.02	0.02	0.04	0.04	0.04	0.04	0.05	0.05

Source: Handelsbanken

DCF model assumptions

SEKm	2024	2025e	2026e	2027e	2028e	2029e	2034e	2039e	2044e
Rental income	562	606	627	662	680	693	885	1,129	1,442
Rental inc CAGR (%)	-0.7	7.8	3.5	5.6	2.7	2.0	5.0	5.0	5.0
EBITDA growth (%)	0.0	10.3	4.1	6.0	3.7	2.3	7.3	5.0	5.0
EBITA growth (%)	n.m	n.m	n.m	n.m	n.m	n.m	n.m	5.0	5.0
Capex/sales (%)	60.9	46.3	45.7	45.2	45.7	n.m	5.0	5.0	5.0
Net working cap/sales (%)	-3.5	-9.1	-9.4	-9.9	-10.2	-15.9	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)	2.0
Cost of equity	7.4
Pre-tax cost of debt	3.5
Equity weight	55.0
WACC	5.3

Source: Handelsbanken

Calculation of DCF

Calculation of DCF (SEKm)	
NPV FCFF	14,436
Net debt incl Hybrid capital	-5,764
Market value Preferred stock	0.0
Market value Associates	1
Market value Minorities	0.0
Surplus values	0.0
Other adjustments	0.0
DCF value	8,673
DCF value/share (SEK)	54.2

Source: Handelsbanken

DCF checkpoints

DCF checkpoints (%)	
5y hist sales growth	7.7
5y exp sales growth	4.3
Sustainable growth	2.0
Sust EBITDA margin	75.6
Sust EBITA margin	70.0
Sust after-tax ROIC	5.8
Terminal value/DCF	63.7
Implicit equity weight	71.5
Share price potential to DCF value	68.0

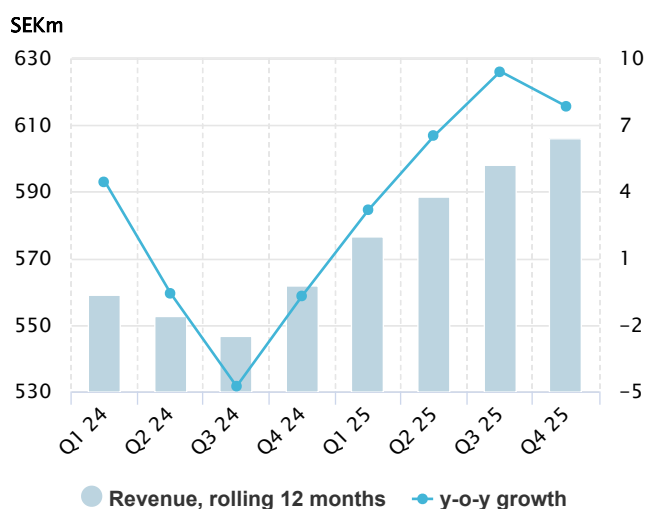
Source: Handelsbanken

P&L accounts – quarterly data

SEKm	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25e	Q3 25e	Q4 25e
P&L								
Rental income	135.9	140.3	141.8	143.8	150.9	152.2	151.4	151.4
Total op expenses	-42.1	-36.4	-36.6	-42.8	-42.7	-36.2	-37.6	-45.7
Net operating income RE	93.8	103.9	105.2	101.0	108.2	116.0	113.8	105.7
Central admin	-10.7	-9.8	-8.6	-9.8	-10.1	-12.0	-9.6	-9.5
EBIT	83.1	94.1	96.6	91.2	98.1	104.0	104.2	96.2
Net financials	-27.9	-33.3	-36.7	-42.9	-41.6	-41.1	-43.4	-44.9
Income fr property mgmt	55.2	60.8	59.9	48.3	56.5	62.9	60.8	51.3
Ch in prop value & deriv	-87.6	-32.0	-61.2	99.2	18.2	16.6	-7.5	70.6
EBT	-32.4	28.8	-1.3	147.5	74.7	79.5	53.3	121.9
Reported tax	-7.6	-9.7	16.1	-42.6	-21.0	-17.4	-15.9	-25.1
tax rate (%)	-23.5	33.7	>999	28.9	28.1	21.9	29.8	20.6
Net income	-40.0	19.1	14.8	104.9	53.7	62.1	37.4	96.7
EPS rep (SEK)	-0.2	0.1	0.1	0.6	0.3	0.4	0.2	0.6
Growth (%)								
Rental income	-4.6	-4.4	-3.9	11.6	11.0	8.5	6.8	5.3
Total expenses	-11.7	-9.5	6.7	2.1	1.4	-0.5	2.7	6.8
EBITDA	-2.9	-3.4	-7.8	18.1	18.1	10.5	7.9	5.4
EBT	n.m	n.m	n.m	n.m	n.m	176.0	n.m	-17.4
Net income	n.m	n.m	n.m	n.m	n.m	225.1	152.7	-7.8
EPS rep	n.m	n.m	n.m	n.m	n.m	225.1	152.7	-7.8
EPS adj	13.1	7.3	-7.0	-11.2	2.5	2.1	-0.3	13.7
of sales (%)								
EBITDA margin	61.1	67.1	68.1	63.4	65.0	68.3	68.8	63.5
EBT margin	-23.8	20.5	-0.92	103	49.5	52.2	35.2	80.5
Net margin	-29.4	13.6	10.4	72.9	35.6	40.8	24.7	63.9
Adjusted values								
Total adjustments to net inc	-95.1	-42.5	-45.1	59.8	-2.8	-0.8	-22.3	45.5
EBITDA	83.1	94.1	96.6	91.2	98.1	104.0	104.2	96.2
margin (%)	61.1	67.1	68.1	63.4	65.0	68.3	68.8	63.5
EBT	55.2	60.8	59.9	48.3	56.5	62.9	60.8	51.3
Net income	55.1	61.6	59.9	45.1	56.5	62.9	59.7	51.3
EPS adj (SEK)	0.3	0.4	0.4	0.3	0.3	0.4	0.4	0.3
Property specific RC (SEK)								
NAV/Share	46.1	46.0	46.4	47.0	47.4	46.8	46.1	46.8

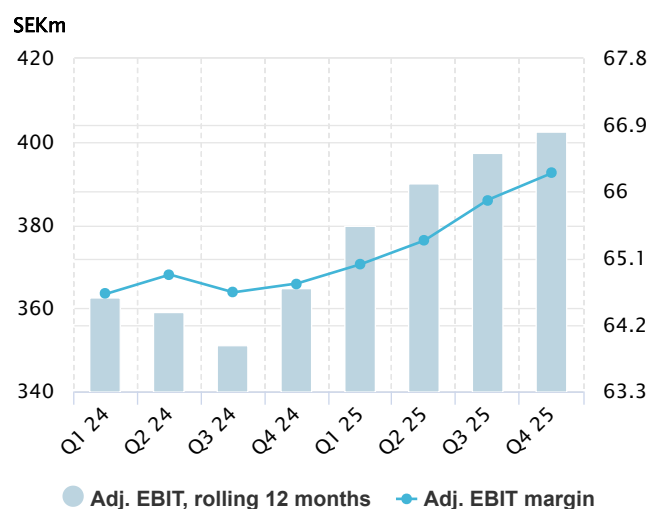
Source: Handelsbanken

Revenue, 12-month rolling



Source: Handelsbanken

Adjusted EBIT, 12-month rolling



Source: Handelsbanken

P&L accounts – annual data

SEKm	2021	2022	2023	2024	2025e	2026e	2027e
Income statement							
Rental income	449.6	509.9	565.6	561.8	605.9	627.3	662.1
Total op expenses	-136.7	-148.2	-164.1	-157.9	-162.2	-169.3	-179.0
Net operating income RE	312.9	361.7	401.5	403.9	443.7	458.1	483.2
Central admin	-37.2	-38.3	-36.5	-38.9	-41.2	-39.1	-39.2
EBITDA	275.7	323.4	365.0	365.0	402.5	419.0	443.9
EBIT	276	323	365	365	402	419	444
Net interest expenses	-46.0	-84.0	-146.1	-140.8	-171.0	-187.7	-198.7
Net financials	-46.0	-84.0	-146.1	-140.8	-171.0	-187.7	-198.7
Earnings bef value change	229.7	239.4	218.9	224.2	231.5	231.3	245.3
Ch in prop value & deriv	1,544	-377.6	-1,263	-81.6	97.9	289.7	301.9
Paid tax	-0.3	-0.2	2.4	-2.5	-1.1	-	-
Reported tax	-298.5	2.2	331.7	-43.8	-79.4	-107.3	-112.7
tax rate (%)	16.8	1.6	31.8	30.7	24.1	20.6	20.6
Net income	1,475	-136.0	-712.2	98.8	249.9	413.6	434.4
EPS rep (SEK)	8.9	-0.82	-4.31	0.60	1.55	2.66	2.80
EPS adj (SEK)	1.4	1.4	1.3	1.3	1.4	1.5	1.6
Growth (%)							
Rental income	14.2	13.4	10.9	-0.7	7.8	3.5	5.6
Total expenses	13.6	8.4	10.7	-3.8	2.7	4.3	5.7
EBITDA	15.0	17.3	12.9	0.0	10.3	4.1	6.0
EBT	94.9	n.m	n.m	n.m	131.0	58.2	5.0
Net income	105.4	n.m	n.m	n.m	153.0	65.5	5.0
EPS rep	105.4	n.m	n.m	n.m	158.5	72.3	5.0
EPS adj	22.4	4.3	-7.5	0.2	6.2	4.5	6.0
of sales (%)							
EBITDA margin	61.3	63.4	64.5	65.0	66.4	66.8	67.0
EBT margin	394	-27.1	-185	25.4	54.4	83.0	82.6
Net margin	328	-26.7	-126	17.6	41.3	65.9	65.6
Profitability (%)							
ROE reported	21.7	-1.8	-10.4	1.5	3.7	5.8	5.9
ROE adj	3.4	3.3	3.2	3.4	3.4	3.3	3.3
ROCE	2.2	2.3	2.7	3.0	3.1	3.1	3.1
Pre-tax ROIC	2.3	2.3	2.8	3.1	3.3	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	3.1	3.1
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
Adjusted values							
Total adjustments to net inc	1,246	-375.2	-933.5	-122.9	19.6	182.3	189.2
EBITDA	275.7	323.4	365.0	365.0	402.5	419.0	443.9
margin (%)	61.3	63.4	64.5	65.0	66.4	66.8	67.0
EBT	229.7	239.4	218.9	224.2	231.5	231.3	245.3
Net income	229.4	239.2	221.3	221.7	230.4	231.3	245.3

Source: Handelsbanken

Forecast balance sheet – annual data

SEKm	2021	2022	2023	2024	2025e	2026e	2027e
Accounts receivable	56	82	26	45	39	39	39
Other current assets	-	-	100	55	20	20	20
Cash & other interest-bearing	159	101	247	37	675	636	623
Current assets	214	182	373	136	734	695	682
Tangible assets	14,843	15,888	12,912	13,753	14,166	14,743	15,344
Shares associates	459	458	14	1	1	1	1
Derivatives	-	228	-	-	-35	-35	-35
Other financial assets	-	-	325	276	276	276	276
Total assets	15,516	16,756	13,625	14,167	15,143	15,681	16,269
Equity	7,493	7,225	6,438	6,451	6,929	7,244	7,563
Shareholder equity	7,493	7,225	6,438	6,451	6,929	7,244	7,563
Deferred tax liabilities	1,710	1,710	1,326	1,368	1,446	1,553	1,666
Long-term interest-bearing debt	4,290	5,803	4,917	4,353	4,410	4,523	4,673
Short-term interest-bearing debt	1,735	1,732	712	1,724	2,099	2,099	2,099
Provisions	158	157	126	152	144	144	144
Other current liabilities	130	130	107	119	114	118	125
Current liabilities	1,865	1,862	819	1,843	2,213	2,217	2,224
Total equity & liabilities	15,516	16,756	13,625	14,167	15,143	15,681	16,269
Net interest bearing debt	5,866	7,434	5,056	5,764	5,559	5,709	5,872

Source: Handelsbanken

Forecast cash flow

SEKm	2021	2022	2023	2024	2025e	2026e	2027e
EBIT before associates	275.7	323.4	365.0	365.0	402.5	419.0	443.9
+ Net financials	-46.0	-84.0	-146.1	-140.8	-171.0	-187.7	-198.7
- Paid tax	-2.1	-0.1	0.3	-0.5	-1.1	-	-
- Change in NWC	11.5	-26.4	25.6	-2.8	35.4	4.0	6.6
+ Other adjustment	-6.4	-16.4	7.3	-6.7	-8.3	n.m	n.m
Cash flow from operations (CFFO)	232.7	196.5	252.1	214.2	257.5	235.3	251.8
- Net recurring capex	-1,397	-1,648	-327.4	-342.0	-280.7	-287.0	-299.0
FCF bef Acq. & Div. (FCF)	-1,165	-1,452	-75.3	-127.8	-23.2	-51.7	-47.2
- Acquisitions	-	-	1.2	-457.9	-	-	-
+ Divestments	354.3	-0.1	2,063	66.9	-	-	-
FCF to equity (FCFE)	-810.3	-1,452	1,989	-518.8	-23.2	-51.7	-47.2
- Paid dividends to shareholders	-107.3	-132.1	-74.3	-85.9	-80.7	-99.1	-115.4
- 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	-	-	-
NET cash flow/change in NIBD	61.7	-58.0	146.4	-210.7	638.1	-38.6	-12.6
Funds from operations (FFO)	221.2	222.9	226.5	217.0	222.1	231.3	245.3
Cash flow from operations (CFFO)	232.7	196.5	252.1	214.2	257.5	235.3	251.8
FCF bef Acquisitions & Divestments (FCF)	-1,165	-1,452	-75.3	-127.8	-23.2	-51.7	-47.2
FCF to equity (FCFE)	-810.3	-1,452	1,989	-518.8	-23.2	-51.7	-47.2

Source: Handelsbanken

Financial ratios – annual data

%	2021	2022	2023	2024	2025e	2026e	2027e
Equity/total assets	48.3	43.1	47.2	45.5	45.8	46.2	46.5
Net debt/equity	78.3	103	78.5	89.4	80.2	78.8	77.6
Net debt/EBITDA (x)	21.3	23.0	13.9	15.8	13.8	13.6	13.2
EBITDA net interest cover (x)	6.0	3.9	2.5	2.6	2.4	2.2	2.2
FCFF/total debt	-24.4	-18.2	-35.4	6.6	2.3	2.1	2.2
Total debt/capital	44.6	51.1	46.6	48.5	48.4	47.8	47.2
Short-term debt/capital	12.8	11.7	5.9	13.8	15.6	15.1	14.6
Long-term debt/capital	31.7	39.3	40.7	34.7	32.8	32.6	32.6

Source: Handelsbanken

Per share data

m	2021	2022	2023	2024	2025e	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	161.6	155.2	155.2
EPS reported (SEK)	8.9	-0.82	-4.31	0.60	1.55	2.66	2.80
Y-o-y growth (%)	105.4	n.m	n.m	n.m	158.5	72.3	5.0
EPS adj (SEK)	1.39	1.45	1.34	1.34	1.43	1.49	1.58
Y-o-y growth (%)	22.4	4.3	-7.5	0.2	6.2	4.5	6.0
DPS - ordinary (SEK)	0.80	0.45	0.52	0.52	0.64	0.74	0.79
Payout ratio (%)	9.0	-54.6	-12.1	86.9	41.3	27.9	28.2
Buy-backs (SEK)	-	-	0.00	-	-1.92	-	-
Buy-back payout ratio (%)	0.0	0.0	0.0	0.0	-123.9	0.0	0.0
Tot cash payout ratio (%)	7.3	-97.1	-10.4	86.9	-90.2	24.0	26.6
Book value (SEK)	45.4	43.8	39.0	39.1	44.6	46.7	48.7
Y-o-y growth (%)	22.3	-3.6	-10.9	0.2	14.3	4.5	4.4
Net debt (SEK)	35.5	45.0	30.6	34.9	35.8	36.8	37.8
NAV (SEK)	55.7	52.7	46.4	47.0	49.8	52.5	55.2

Source: Handelsbanken

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SHB recommendation (12 months)	Return expected to be ¹	SHB universe ²	IB services ³
Buy	above 10%	60%	21%
Hold	between 0% and 10%	33%	18%
Sell	below 0%	7%	25%

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

² Percentage of companies under coverage within each recommendation

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

Source: Handelsbanken, as per 22 October 2025

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Heba

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23 Oct 2025: Heba - Handelsbanken's analysts Sebastian Jakobsson and Johan Edberg have no positions in Heba or a related instrument.

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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: 22 Oct 2025 19:28 CET

Company overview

SEKm	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
P&L													
Rental income	295	335	381	388	394	450	510	566	562	606	627	662	680
growth (%)	5	13	14	2	1	14	13	11	-0.7	8	4	6	3
EBITDA	162	187	221	232	240	276	323	365	365	402	419	444	460
margin (%)	54.8	55.8	58.0	59.7	60.9	61.3	63.4	64.5	65.0	66.4	66.8	67.0	67.7
Inc.fr.prop.manag	121	138	168	184	192	230	239	219	224	231	231	245	258
Net income	373	368	654	724	718	1,475	-136	-712	99	250	414	434	455
growth (%)	-58.7	-1.2	77.7	10.8	-0.81	105	n.m	n.m	n.m	153	65.5	5.0	4.7
Adj net income	120	138	168	177	187	229	239	221	222	230	231	245	258
growth (%)	-0.23	14.9	22.1	5.3	5.6	22.4	4.3	-7.5	0.18	3.9	0.39	6.0	5.2
Cash flow													
Capex	-717	-927	-327	-606	-1,270	-1,397	-1,648	-327	-342	-281	-287	-299	-311
Free cash flow	-567	-755	-157	-433	-1,083	-1,165	-1,452	-75	-128	-23	-52	-47	-50
Acquisitions	-	-	-	-	-	-	-	1	-458	-	-	-	-
Divestments	146	-	-	731	-	354	-0.1	2,063	67	-	-	-	-
FCF to equity	-421	-755	-157	297	-1,083	-810	-1,452	1,989	-519	-23	-52	-47	-50
Net CF	2	4	0.1	19	72	62	-58	146	-211	638	-39	-13	-71
Ratios (%)													
Pre-tax ROIC	2.7	2.7	2.8	2.7	2.4	2.3	2.3	2.8	3.1	3.3	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	3.4	3.3	3.3	3.3
ROCE	2.7	2.7	2.8	2.7	2.4	2.2	2.3	2.7	3.0	3.1	3.1	3.1	3.2
Equity/total assets	52.6	48.8	50.1	52.9	47.9	48.3	43.1	47.2	45.5	45.8	46.2	46.5	46.9
Income cover (SEK)	2.21	2.26	2.38	2.48	2.56	2.59	2.73	2.82	2.85	2.98	3.01	3.03	3.10
Interest cover (SEK)	3.80	3.72	4.14	4.76	4.71	4.55	3.20	2.21	2.35	2.24	2.15	2.15	2.19
Dividend cover (SEK)	5.9	5.2	7.2	7.3	6.7	11.2	-1.83	-8.3	1.15	2.42	3.58	3.55	n.m
Share data (SEK)													
Avg no shares (m)	157	157	165	165	165	165	165	165	165	162	155	155	155
change (%)	n.m	0.0	5	0.0	0.0	0.0	0.0	0.0	0.0	-2	-4	0.0	0.0
Avg diluted shares (m)	157	157	165	165	165	165	165	165	165	162	155	155	155
change (%)	n.m	0.0	5.1	0.0	0.0	0.0	0.0	0.0	0.0	-2.1	-3.9	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	32.3	32.3	32.3	32.3
Market cap (m)	4,468	4,351	5,263	7,117	9,453	13,011	5,994	5,854	5,408	5,006	5,006	5,006	5,006
EV (m)	6,867	7,572	8,766	10,416	13,937	18,419	12,970	10,895	11,171	10,563	10,714	10,877	11,049
Net debt/share	15.3	20.5	21.4	20.2	29.2	35.5	45.0	30.6	34.9	35.8	36.8	37.8	38.9
EPS reported	2.37	2.34	3.96	4.39	4.35	8.9	-0.82	-4.31	0.60	1.55	2.66	2.80	2.93
growth (%)	n.m	-1	69	11	-0.8	105	n.m	n.m	n.m	158	72	5	5
EPS adj	0.76	0.88	1.02	1.07	1.13	1.39	1.45	1.34	1.34	1.43	1.49	1.58	1.66
growth (%)	-	15	16	5	6	22	4	-7	0.2	6	5	6	5
BVPS	25.4	27.3	29.5	33.3	37.1	45.4	43.8	39.0	39.1	44.6	46.7	48.7	50.9
DPS - Ordinary	0.40	0.45	0.55	0.60	0.65	0.80	0.45	0.52	0.52	0.64	0.74	0.79	-
Value buy-back/share	-	-	-	-	-	-	-	0.00	-	-1.92	-	-	-
Total cash distr./share	0.38	0.40	0.45	0.55	0.60	0.65	0.80	0.45	0.52	-1.40	0.64	0.74	0.79
Valuation													
Prop. specific (%)													
Avg interest rate	2.5	2.1	-	-	-	-	-	-	-	-	-	-	-
Fixed rate ratio	63.0	54.0	-	-	-	-	-	-	-	-	-	-	-
Stated property yield	4.5	4.4	-	-	-	-	-	-	-	-	-	-	-
Implied property yield	2.4	2.6	2.8	3.0	2.8	2.9	2.9	3.8	3.6	4.2	4.3	4.4	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	12,079	12,341	12,623	12,916
Implied premium	6.3	0.65	4.0	15.9	27.6	37.6	-7.8	-4.6	-7.7	-13.7	-15.4	-16.8	-18.3

Source: Handelsbanken