

Presentation material 8 May, 2026 | Antti Aarnio, President & CEO

# Interim Report 1–3 2026

sato

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# SATO as a company

# SATO as a company

With around **27,500** rental homes we are one of the leading housing providers in Finland.

We have nearly 47,000 residents in Helsinki, Tampere, and Turku areas.

We have approximately 300 housing experts working in SATO.

We invest in rental apartments located near good public transport and various services.

Our economic occupancy rate in 1-3/2026 was 95.3%.

Our net sales in 1-3/2026 was EUR 80.1 million.

The fair value of our investment properties is EUR 5 billion.

# SATO's strategy



## SATO's values



Human to human



Be bold, aim high



Joy of succeeding together

# SATO's growth continues

# Operating environment

- The uncertainty caused by the Middle East conflict and the continuing war in Ukraine are slowing the growth of the Finnish economy.
- The war in Iran have caused a surge in oil prices and concerns about accelerated inflation. The interest rate markets have responded nervously to the situation, and long-term reference rates in particular have risen.
- In March, consumer confidence weakened to its lowest level since April 2024. Views concerning one's own finances at present and expectations concerning one's own finances and Finland's economy were very poor. Consumer views also remained gloomy concerning unemployment.
- According to the Bank of Finland forecast, the unemployment rate for 2026 is projected to be 10.2%.
- The number of consumers with payment default records continued to grow, but the growth rate is declining.
- The oversupply of rental homes and the intense competition for good tenants will continue in large growth centres in particular.
- Last year, around 3,400 new rental homes were completed in the Helsinki Metropolitan Area (HMA), with around 60% these being state-subsidised production. Going forward, cuts in state-subsidised housing production will reduce the imbalance between demand and supply.
- Strong urbanisation continues in Finland's growth centres. However, the number of household-dwelling units decreased in 2025, and the year-on-year decline was significant.

# Summary I–3 2026

I Jan – 31 Mar 2026 (I Jan – 31 Mar 2025)

- The economic occupancy rate was 95.3% (95.0).
- Net sales totalled EUR 80.1 million (77.2).
- Net rental income was EUR 46.2 million (46.8).
- Profit before taxes was EUR 17.1 million (18.3).
- The unrealised change in the fair value of investment properties included in the result was EUR 1.0 million (1.4).
- Housing investments amounted to EUR 105.5 million (3.9).
- Invested capital at the end of the review period was EUR 4,903.9 million (4,687.6).
- Return on invested capital was 3.1% (3.3).
- Equity was EUR 2,680.4 million (2,615.1) or EUR 31.57 per share (30.81).
- Earnings per share were EUR 0.16 (0.17).
- 612 rental apartments (0) were acquired
- The number of SATOhomes grew to nearly 27,500 rental apartments.



# SATO's growth continues

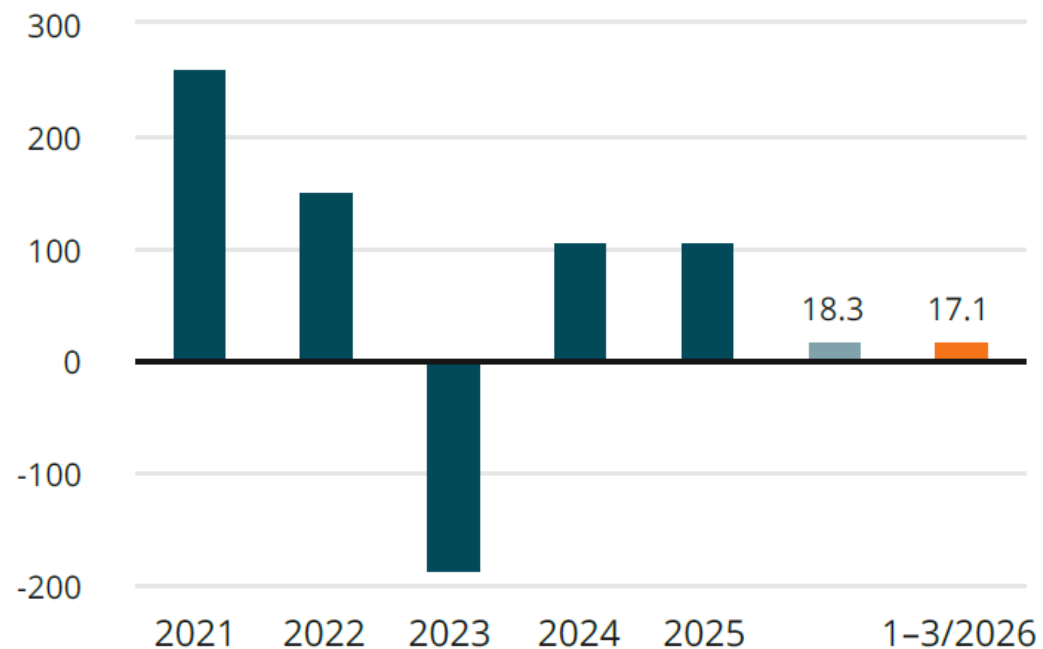
## Highlights of the quarter

- At the end of March, we invested in 602 rental apartments, the economic occupancy rate of which exceeded 97% in 2025.
- The economic occupancy rate of our housing portfolio improved year on year and average rent per square metre increased.
- Net sales increased and amounted to EUR 80.1 million (77.2). However, net rental income declined, mainly due to higher heating costs compared to the reference period.
- Construction of rental homes on market terms still remains at a historically low level. The oversupply situation has been prolonged by state-subsidised rental housing production.
- Our customers value the smoothness of renting process and the in-person service provided by SATO staff. The SATO encounters indicator gave us the score of 4.23/5 at the end of the quarter (r12).
- Our employee satisfaction improved further. In the latest personnel survey, SATO's eNPS was 67 (63.5).



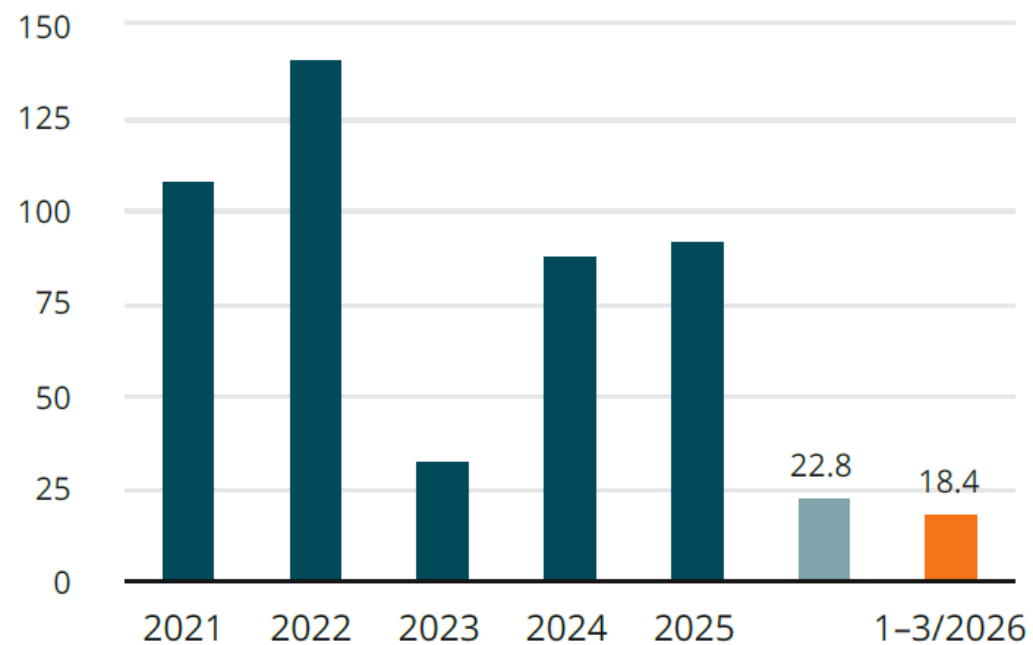
# Profit and cash earnings

Profit before taxes, EUR million



■ 2025 comparison

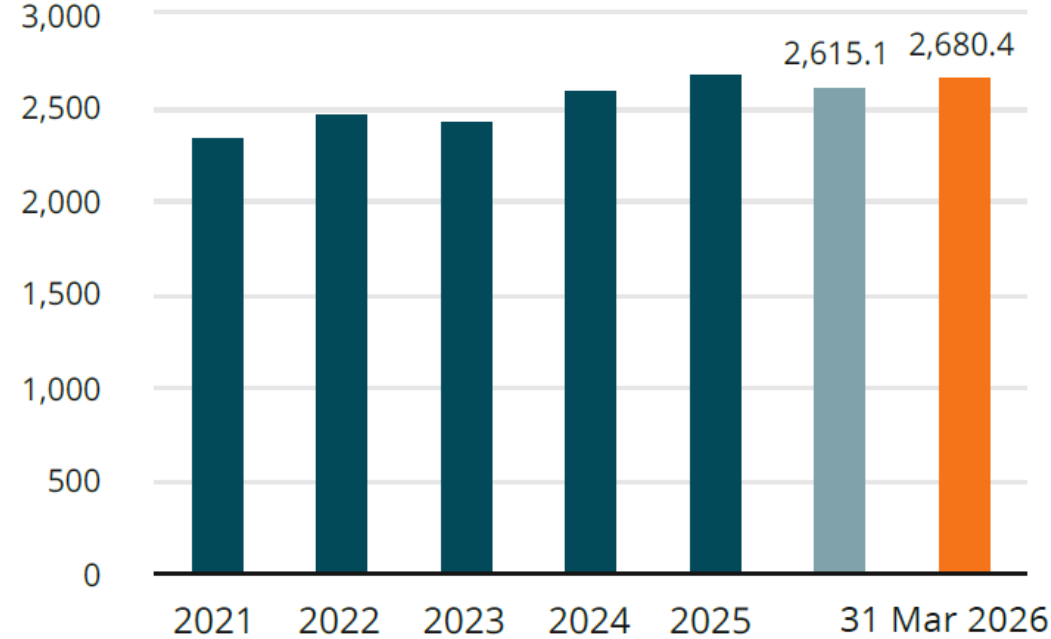
Cash earnings (CE), EUR million



■ 2025 comparison

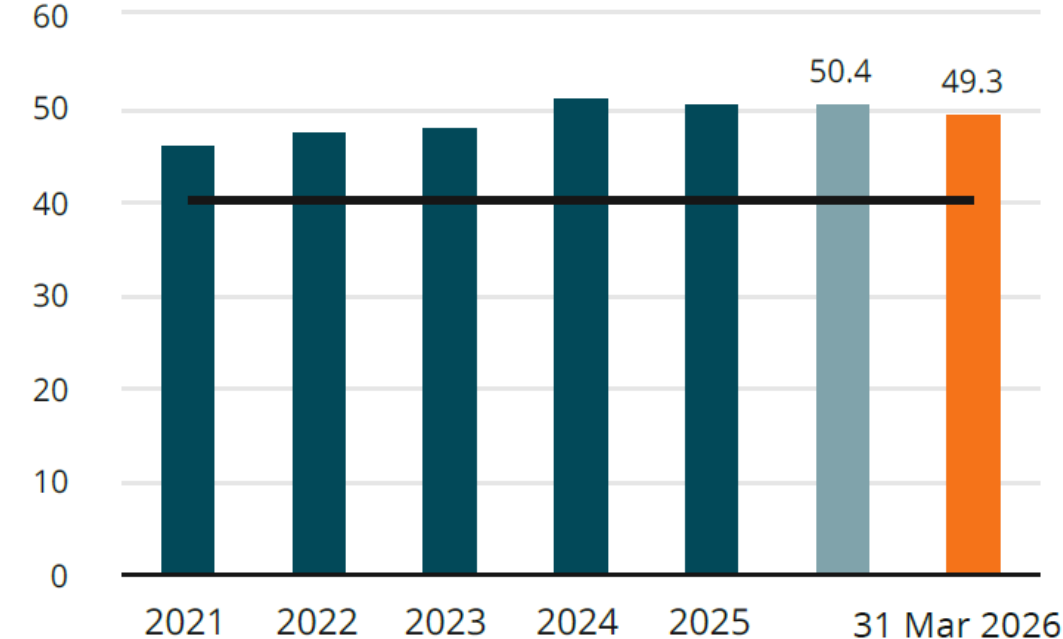
# Financial position

Shareholders' equity, EUR million



■ 2025 comparison

Equity ratio, %

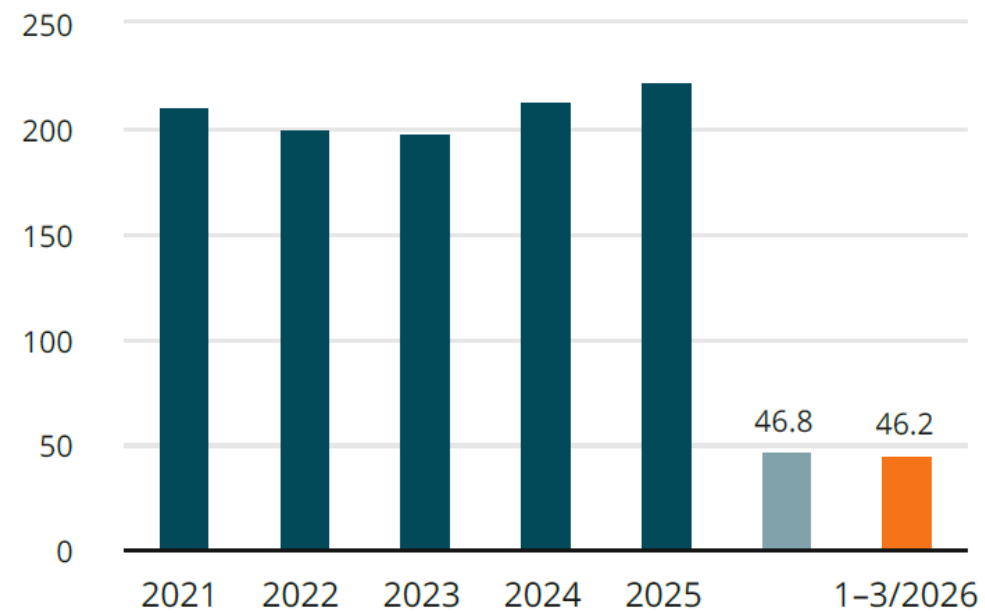


Target > 40%

■ 2025 comparison

# Rental income

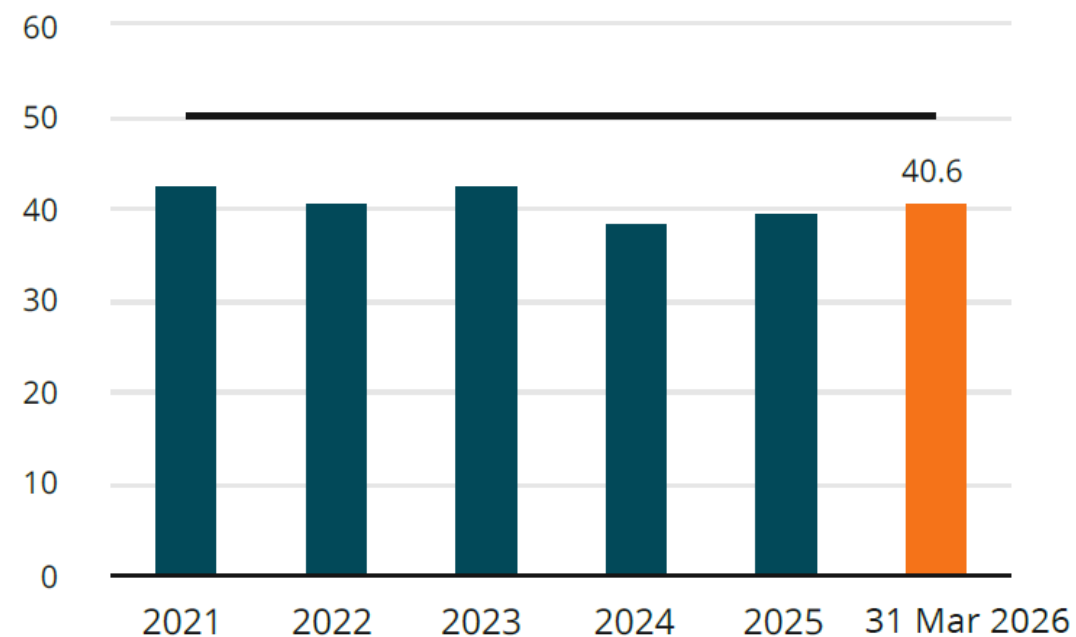
Net rental income, EUR million



■ 2025 comparison

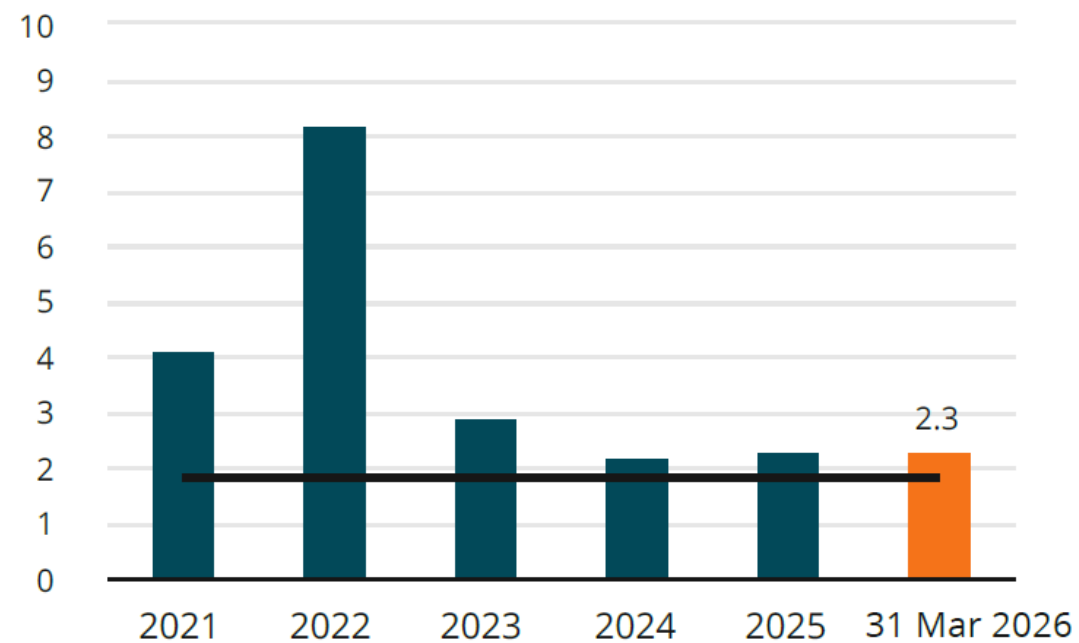
# Solvency ratio

Solvency ratio, %



Target < 50%

Interest coverage ratio (RI2)



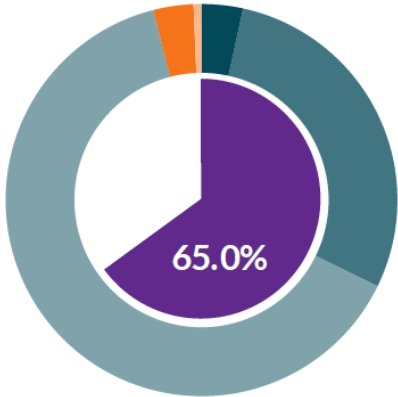
Target > 1.8x

\* The key figure is calculated based on a rolling 12 month period.

# Broad financing base

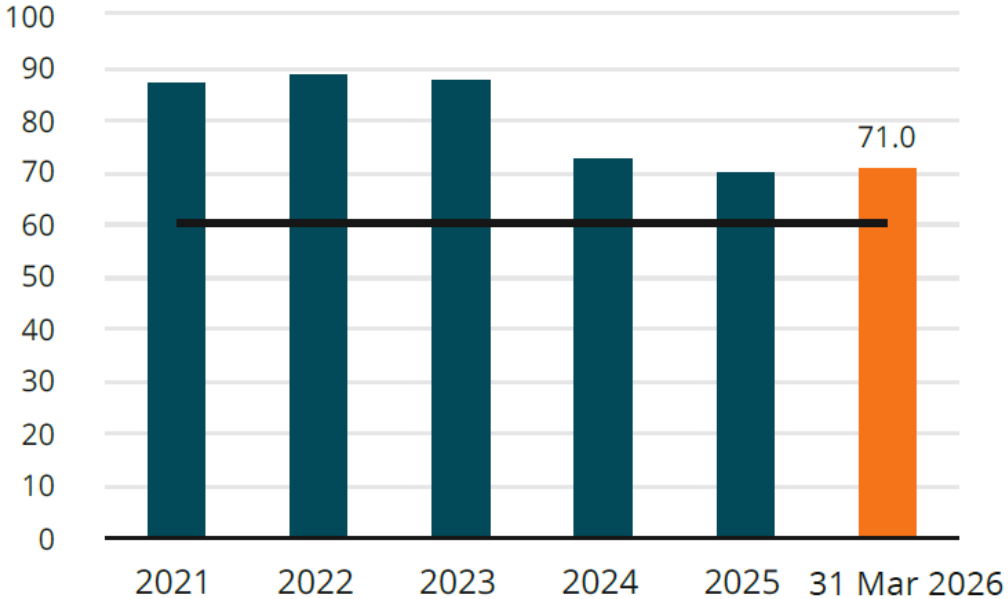
Debt portfolio, nominal values 31 March 2026

total EUR 2,255.1 million



- Commercial papers 77.0
- Corporate bonds 650.0
- Bank loans 1,438.7
- Interest subsidised 74.7
- State subsidised (ARAVA) 14.6
- 65.0% of loans without asset-based securities

Unencumbered assets, %

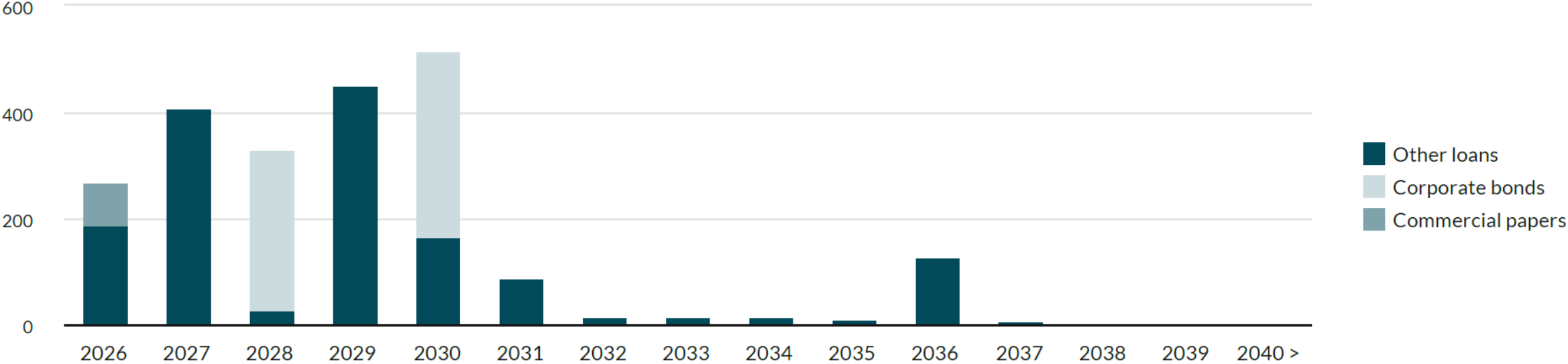


Target ≥ 60%

\* Not including undrawn credit facilities.

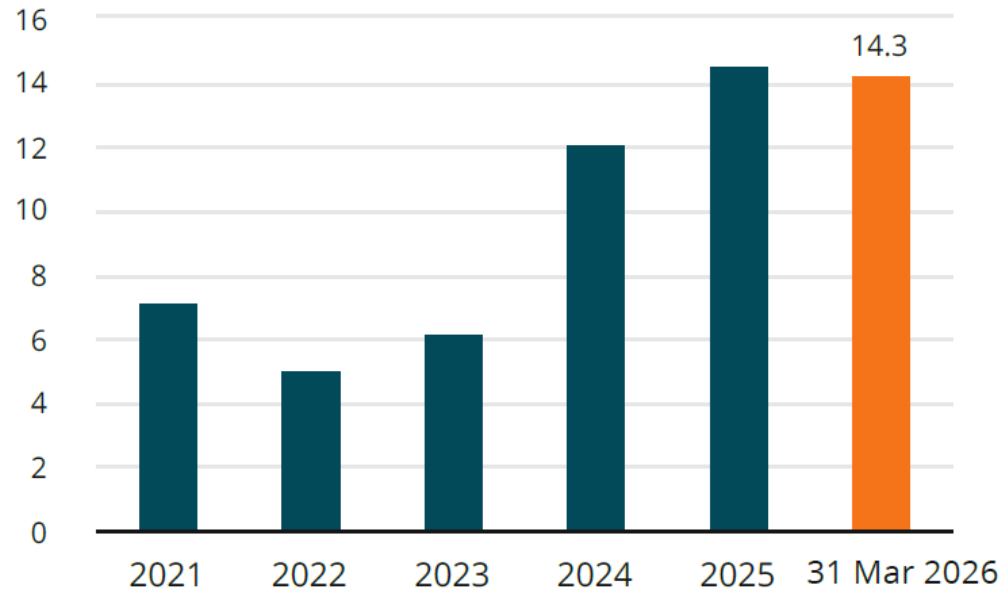
# Broad financing base

Maturity profile of debt, EUR million



# Secured solvency ratio

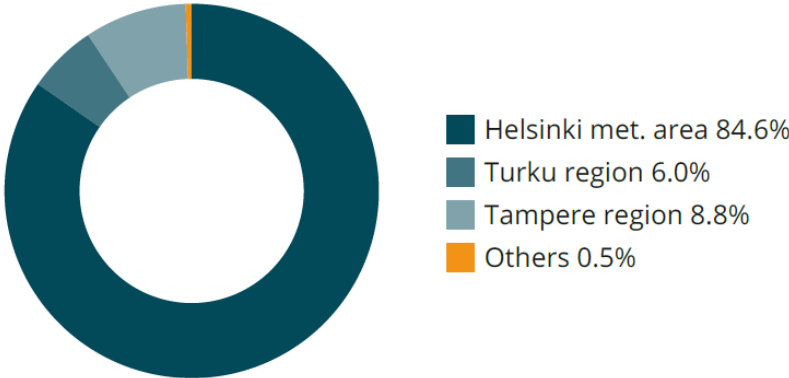
Secured solvency ratio, %



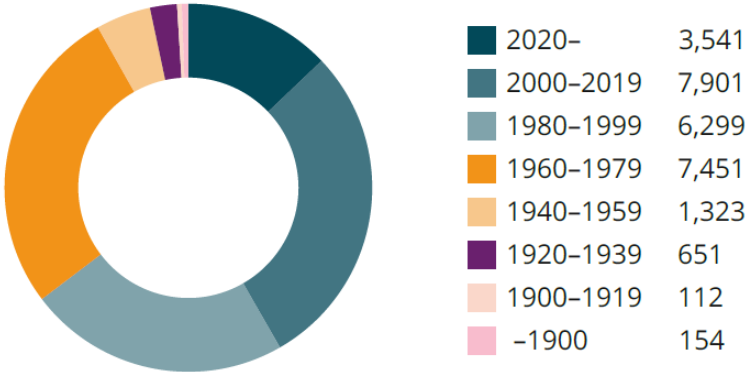
\* From Q1 2025, the key figure is calculated based on the book values of secured borrowings instead of nominal values.

# Development of housing assets

Regional distribution of housing portfolio, 31 March 2026



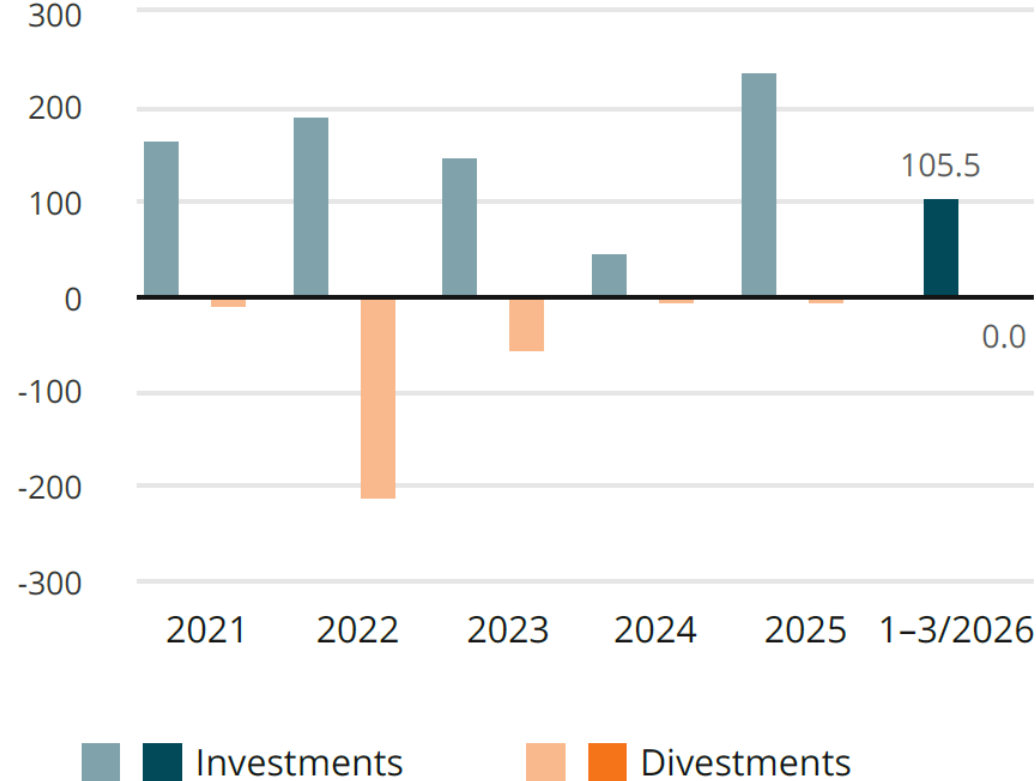
Age distribution of housing portfolio, 31 March 2026



Total housing portfolio EUR 5,174.2 million

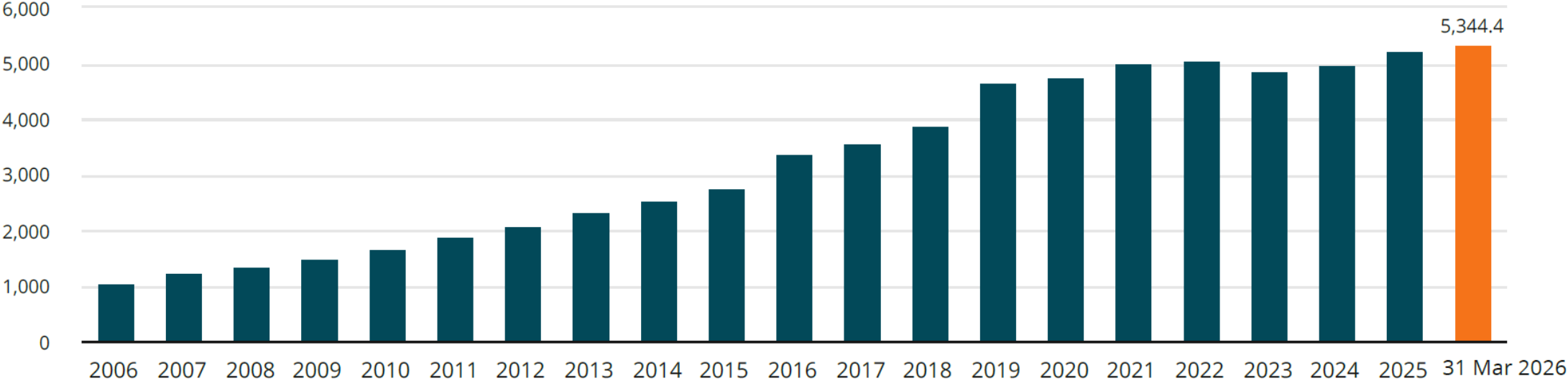
# Development of housing assets

Housing investments and divestments, EUR million



# Development of housing assets

Trend in the investment property portfolio value, EUR million



# Main shareholders

Largest shareholders and their holdings	No. of shares	%
Balder Finska Otas AB (Fastighets AB Balder)	49,632,504	58.3%
Stichting Depository APG Strategic Real Estate Pool	19,217,470	22.6%
Elo Mutual Pension Insurance Company	10,849,621	12.8%
The State Pension Fund	4,194,300	4.9%
Tradeka-invest Ltd	189,750	0.2%
Research Foundation of the Pulmonary Diseases	180,000	0.2%
SATO Corporation	166,000	0.2%
Finnish Paper Workers' Union	150,000	0.2%
Komulainen Pekka	131,825	0.2%
Entelä Tuula	131,300	0.2%
Others (106 shareholders)	219,674	0.3%

On 31 March 2026, SATO had 85,062,444 shares and 116 shareholders registered in the book-entry system. The share turnover rate was 0.01% for the period 1 Jan – 31 Mar 2026.

# Outlook

- The increases in energy prices caused by the war in Iran are slowing the growth of the Finnish economy. GDP growth is projected to be just 0.6% this year.
- The outlook is weakened particularly by the high uncertainty over the conflict in the Middle East and the continuing war in Ukraine.
- According to the Bank of Finland forecast, the unemployment rate for 2026 is projected to be 10.2%, but the unemployment situation is expected to perk up if the cyclical conditions improve. The unemployment rate is projected to fall to 9.7% in 2027 and further to 9.2% in 2028.
- The number of housing starts will continue to decline this year and will remain almost unchanged at a historically low level. The number of homes completed has plummeted to the 1950s level.
- In the rental market, competition for good tenants continues in the current year and the imbalance between supply and demand will not enable any large-scale commencement of newbuild rental housing construction.
- In the years ahead, the imbalance of demand and supply in the rental housing market will be corrected when state-subsidised housing production decreases.
- It is important to continue urban development and land use planning supporting diverse housing so that growth centres will be able to respond to residents' diverse needs in the future, too.
- The attractiveness of rental housing is increased by changes in the population's life situations, mobility of work, economic uncertainty and convenience of rental housing.

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For further information

Antti Aarnio, CEO ([antti.aarnio@sato.fi](mailto:antti.aarnio@sato.fi))

Markku Honkasalo, CFO ([markku.honkasalo@sato.fi](mailto:markku.honkasalo@sato.fi))

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