

Q3 Interim Report 1 Jan – 30 Sep 2025

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As Oy Helsingin Mänty, Von Daehninkatu 12

Key figures

Key figure	1-9/2025	1-9/2024	1-12/2024
Net sales, EUR million	235.5	227.0	304.1
Number of rental apartments, pcs	26,787	25,714	25,849
Investment property, EUR million	5,215.3	4,953.3	4,971.4
Housing investments, EUR million	219.4	31.7	48.6
Under construction, pcs	0	189	0
Average rent at the end of the review period, €/m ² /month	18.51	18.38	18.40
Cash earnings (CE), EUR million	64.3	60.2	88.2
Shareholders' equity, EUR million	2,663.3	2,583.7	2,599.8



SATO Corporation Interim Report I Jan – 30 Sep 2025: Portfolio investment boosts SATO's profitable growth

Summary for 1 Jan – 30 Sep 2025 (1 Jan – 30 Sep 2024)

- The economic occupancy rate was 95.2% (95.4).
- Net sales totalled EUR 235.5 million (227.0).
- Net rental income was EUR 166.2 million (160.5).
- Profit before taxes was EUR 80.3 million (83.5).
- The unrealised change in the fair value of investment properties included in the result was EUR 7.3 million (10.8).
- Housing investments amounted to EUR 219.4 million (31.7).
- Invested capital at the end of the review period was EUR 4,864.2 million (4,694.3).
- Return on invested capital was 4.0% (4.1).
- Equity was EUR 2,663.3 million (2,583.7) or EUR 31.37 per share (30.44).
- Earnings per share were EUR 0.76 (0.84).
- A total of 968 rental apartments (19) were acquired and 0 (160) completed.
- Renovation of 0 apartments (56) were completed.
- 0 rental apartments (189) were under construction.

Summary for 1 Jul – 30 Sep 2025 (1 Jul – 30 Sep 2024)

- The economic occupancy rate was 95.8% (95.9).
- Net sales totalled EUR 80.9 million (76.5).
- Net rental income was EUR 61.9 million (59.3).
- Profit before taxes was EUR 35.1 million (32.5).
- The unrealised change in the fair value of investment properties included in the result was EUR 5.2 million (4.0).
- Housing investments amounted to EUR 207.5 million (8.9).
- Earnings per share were EUR 0.33 (0.31).
- A total of 968 rental apartments (0) were acquired and 0 (68) completed.
- Renovation of 0 apartments (0) were completed.
- 0 rental apartments (189) were under construction.
- The number of SATOhomes grew to nearly 27,000 rental homes.

President and CEO Antti Aarnio

- In line with the preceding quarters, Q3 was challenging and an exceptional oversupply persisted in the rental market.
- SATO continued to implement its profitable growth strategy by investing in existing housing stock rather than in newbuild construction: In July, the company acquired almost 1,000 apartments from the OP-Rental Yield Fund. With a total of 16 residential properties added to SATO's portfolio, the company now owns nearly 27,000 rental homes.
- The company's economic occupancy rate remained stable in a challenging market situation. The occupancy rate declined slightly year on year and was 95.2% (95.4).
- The average rent per square metre increased compared with the corresponding period last year and was EUR 18.51 per m² (18.38) at the end of the review period.
- July was the busiest month in Q3, and the number of contracts signed reached a record high.
- The popularity of rental housing remains strong, with over 50 per cent of households living in rental homes in Helsinki, Tampere and Turku.
- SATO's sustainability management was ranked number one in European comparison in the Global Real Estate Sustainability Benchmark (GRESB).

Operating environment

According to the September 2025 interim forecast of the Bank of Finland, Finland's economy is on a faltering return to growth. The business outlook has improved, but economic growth is still slowed down by household confidence being weak. Due to weak performance in the early months of the year, Finland's economy is only expected to grow by 0.3% this year.

Consumer expectations regarding Finland's economic development picked up slightly in September compared with the previous month but still remained low. Consumer views concerning their own finances remained almost unchanged and cautious. Consumer intentions to spend money were quite low, and plans to buy a dwelling remained considerably scarce. Expectations concerning the general development of unemployment remained pessimistic, and consumers felt that their personal threat of unemployment was also fairly high.

The increase in average household incomes will be slowed down this year by a weak employment situation and cuts in social benefits. The economic uncertainty

is maintaining consumer caution. Next year, the rate of real income growth is expected to accelerate as inflation remains low, earned income grows and the employment situation improves. Easing of uncertainty would boost consumption growth.

The oversupply of rental homes and intense competition for good tenants continues, particularly in the large growth centres of the Helsinki Metropolitan Area, Turku and Tampere. In the Helsinki Metropolitan Area, the oversupply has slowly started to soften since the first months of the year.

There is limited potential for rent increases while the oversupply persists, and it has not been possible to transfer the higher maintenance costs in full to apartment rents. In Q2, the rents of non-subsidised rental homes in the Helsinki Metropolitan Area decreased for the first time since records began.

According to the Confederation of Finnish Construction Industries, the zero economic growth and persistently weak consumer confidence have frozen the budding recovery in construction. Regardless of the oversupply, rental homes are still being constructed, with the number in the Helsinki Metropolitan Area being nearly 4,500. The cuts in state-subsidised housing production are expected to reduce the imbalance between demand and supply going forward.

Review period I Jan – 30 Sep 2025 (I Jan – 30 Sep 2024)

Net sales and profit

In January–September 2025, SATO Corporation's consolidated net sales totalled EUR 235.5 million (227.0). Operating profit was EUR 141.0 million (141.5). Operating profit without the change in the fair value of investment properties was EUR 133.7 million (130.7). The unrealised change in fair value through profit or loss was EUR 7.3 million (10.8).

Net financing expenses totalled EUR -60.7 million (-58.1). Profit before taxes was EUR 80.3 million (83.5). Cash flow from operations (free cash flow after taxes excluding changes in fair value) in January–September amounted to EUR 64.3 million (60.2). Earnings per share were EUR 0.76 (0.84).

Financial position and financing

The consolidated balance sheet total at the end of September was EUR 5,367.1 million (5,211.8). Equity totalled EUR 2,663.3 million (2,583.7). Equity per share was EUR 31.37 (30.44). The Group's equity ratio at the end of September was 49.6% (49.6).

EUR 647.2 million in new long-term financing was drawn and the solvency ratio at the end of September was 40.2% (38.5). The Group's annualised return on equity was 3.3% (3.6). Return on invested capital was 4.0% (4.1).

Interest-bearing liabilities at the end of September totalled EUR 2,200.9 million (2,110.6), of which loans on market terms amounted to EUR 2,106.4 million (2,005.6). The average loan interest rate was 3.4% (4.0). Net financing expenses totalled EUR -60.7 million (-58.1).

The calculated impact of changes in the market value of interest hedging on equity was EUR -0.8 million (-5.1). The proportion of loans without asset-based securities was 64.6% (69.2) of all loans. At the end of September, unencumbered assets accounted for 70.7% of total assets (71.5).

Housing business

Our housing business includes rental activities, customer service, lifecycle management and maintenance. Our goal is to ensure quick and efficient rentals for home-seekers, while maintaining stable cash flow for the Group. We are committed to delivering an excellent customer experience through both in-person and digital interactions.

Rental income was EUR 235.5 million (227.0). On average, the economic occupancy rate of apartments was 95.2% (95.4) and the external tenant turnover 30.2% (28.7). At the end of the reporting period, the average monthly rent of SATO rental homes was EUR 18.51 per m² (18.38). Net rental income from apartments totalled EUR 166.2 million (160.5).

Investment properties

On 30 September 2025, SATO owned a total of 26,787 homes (25,714). The reporting period saw the completion of 0 rental apartments (160) and acquisition of 968 rental apartments (19). The number of divested rental apartments was 30 (1).

Fair value

The development of the value of rental apartments is a key factor for SATO. Its housing stock is concentrated in areas and apartment sizes which are expected to be the focus, in the long term, of increasing rental apartment demand. The allocation of building repairs is based on life-cycle plans and repair need specifications.

At the end of September, the fair value of investment properties came to a total of EUR 5,215.3 million (4,953.3). The change in the value of investment properties,

including investments and divestments during the reporting period, was EUR 243.9 million (67.7).

The value of properties funded with Arava loans or interest-subsidised loans would be EUR 225 million higher when valuated with the income value method.

At the end of September, the commuting zone of the Helsinki Metropolitan Area accounted for around 85.4% and Tampere and Turku together made up around 14.3% of the value of apartments.

Investments, divestments and property development

Investment activities are used to manage the housing portfolio and prepare the ground for growth. Since 2000, SATO has invested more than EUR 4 billion in non-subsidised rental apartments. SATO acquires and builds entire rental buildings and single rental apartments. Property development allows for new investments in rental apartments. The rental potential and value of the company-owned rental apartments are developed through renovation activities.

Investments in apartments totalled EUR 219.4 million (31.7). The Helsinki Metropolitan Area represented 69.3% of all investments during the period under review. New apartments accounted for 0.0%.

On 30 September 2025, there were binding purchase agreements to a total of EUR 0.3 million (4.2). During the reporting period, 30 rental homes (1) were divested. Their value was EUR 3.1 million (0.3).

The book value of the plot reserve owned at the end of September totalled EUR 81.7 million (67.2). The value of new plots acquired by the end of September totalled EUR 22.7 million (26.5). Permitted building volume for around 1,650 homes is being developed for plots in the company's housing portfolio. This allows SATO to utilise existing infrastructure, create a denser urban structure and thus bring more customers closer to services and public transport connections.

A total of 0 rental apartments (160) were completed for SATO. A total of 0 rental homes (189), were under construction on 30 September 2025. A total of EUR 16.9 million (13.7) was spent on repairing apartments and improving their quality.

Personnel

At the end of September, the Group had 313 employees (304), of whom 291 had a permanent employment contract (277). The average number of personnel in January–September was 321 (320).

Review period I Jul – 30 Sep 2025 (I Jul – 30 Sep 2024)

Net sales and profit

In July–September 2025, SATO Corporation's consolidated net sales totalled EUR 80.9 million (76.5). Operating profit was EUR 56.5 million (54.5). Operating profit without the change in the fair value of investment properties was EUR 51.3 million (50.5). The unrealised change in fair value through profit or loss was EUR 5.2 million (4.0).

Net financing expenses totalled EUR -21.4 million (-22.0). Profit before taxes was EUR 35.1 million (32.5). Cash flow from operations (free cash flow after taxes excluding changes in fair value) in July–September amounted to EUR 32.5 million (25.9). Earnings per share were EUR 0.33 (0.31).

Housing business

Rental income was EUR 80.9 million (76.5). On average, the economic occupancy rate of apartments was 95.8% (95.9) and the external tenant turnover 30.9% (29.3). At the end of the reporting period, the average monthly rent of SATO rental homes was EUR 18.51 per m² (18.38). Net rental income from apartments totalled EUR 61.9 million (59.3).

Investment properties

On 30 September 2025, SATO owned a total of 26,787 homes (25,714). The reporting period saw the completion of 0 rental apartments (68) and an acquisition of 968 rental apartments (0). The number of divested rental apartments was 28 (0).

Fair value

At the end of September, the fair value of investment properties came to a total of EUR 5,215.3 million (4,953.3). The change in the value of investment properties, including investments and divestments during the reporting period, was EUR 211.3 million (24.0). The value of properties funded with Arava loans or interest-subsidised loans would be EUR 225 million higher when valuated with the income value method.

At the end of September, the commuting zone of the Helsinki Metropolitan Area accounted for around 85.4% and Tampere and Turku together made up around 14.3% of the value of apartments.

Investments, divestments and property development

Investments in apartments totalled EUR 207.5 million (8.9). The Helsinki Metropolitan Area represented 69.0% of all investments during the period under review. New apartments accounted for 0.0%.

On 30 September 2025, there were binding purchase agreements to a total of EUR 0.3 million (4.2). During the reporting period, 28 rental homes (0) were divested. Their value was EUR 2.8 million (0.0).

The book value of the plot reserve owned at the end of September totalled EUR 81.7 million (67.2). The value of new plots acquired by the end of September totalled EUR 0.0 million (8.1). Permitted building volume for around 1,650 homes is being developed for plots in the company's housing portfolio. This allows SATO to utilise existing infrastructure, create a denser urban structure and thus bring more customers closer to services and public transport connections.

A total of 0 rental apartments (68) were completed for SATO. A total of 0 rental homes (189), were under construction on 30 September 2025. A total of EUR 5.5 million (4.2) was spent on repairing apartments and improving their quality.

Personnel

At the end of September, the Group had 313 employees (304), of whom 291 had a permanent employment contract (277). The average number of personnel in July–September was 327 (314).

Events after the review period

SATO's sustainability management was recognised at a top European level in the results published by the Global Real Estate Sustainability Benchmark (GRESB) in October. The company received the highest possible score in GRESB's Management component and ranked first among more than a thousand evaluated European real estate companies.

Short-term risks and uncertainties

Risk management is used to ensure that risks impacting the company's business are identified, managed and monitored. SATO's key risks are:

The weak development of Finland's economy

The weak development of Finland's economy, deteriorating employment situation, and uncertainty surrounding the economic outlook are impacting consumers' purchasing power. A weaker-than-expected economic situation in Finland may

influence the housing market through decreased market demand, reduced customer solvency, increased credit losses, lower market rents, and consequently, a decline in the value of SATO's housing assets.

The growing repair backlog

If SATO's housing assets are not maintained systematically and in a timely and controlled manner, this may lead to negative impacts on residents' comfort and health, SATO's reputation, the rentability and pricing of the apartments, and, therefore, the value development of the assets.

Geopolitical risks

Security policy tensions that have grown due to the war in Ukraine and other military conflicts and any tariffs possibly set by different countries may have a significant impact on SATO's business environment.

Cyber risks

Cybercrime has increased risks related to business continuity and the loss of critical data. It can target, for example, systems critical to the continuity of the business or personal data. The consequences of a cyberattack can be the interruption of operations, the weakening of the company's reputation or fines imposed by authorities.

Risks related to climate change

A delay in measures aimed at mitigating climate change and increasing extreme weather phenomena can impact the condition of apartments and maintenance costs, increase repair needs and reduce apartments' rental potential. This can have a negative impact on the fair value of investment properties.

Risks related to renting apartments

The most significant risks in the renting of apartments are related to economic cycles and fluctuations in demand and supply. High new housing construction activity can increase the supply of rental housing to a point that it exceeds demand. This leads to rental housing vacancies and pressure to even out or lower the rent level especially for the old housing portfolio. A clear weakening in the housing market could have a negative impact on the market value of SATO's housing portfolio. In accordance with its strategy, SATO focusses its investments on growth centres and on renovating and repairing its existing housing portfolio. This ensures apartments' rental capacity and value development.

Official regulations

Changes in official regulations and legislation, as well as the uncertainty stemming from them, may have a significant impact on the reliability of the investment environment and thus on SATO's business. SATO monitors and anticipates these changes and also calls attention to what it considers to be negative impacts of regulation.

Financial risks

The management of financial risks is steered by the Group's treasury policy, which has been approved by SATO's Board of Directors. Our financial risk management principles are defined in the treasury policy. Our most significant financial risks relate to liquidity, refinancing and interest rates. We manage our liquidity and refinancing risks by diversifying the financing sources and maturity of our loan portfolio, and by holding sufficient liquidity reserves in the form of committed credit facilities and other long-term financing commitments.

A more detailed description of risks and risk management: www.sato.fi/en

Outlook

The trade policy uncertainty experienced in early 2025 has receded following the trade deal concluded between the United States and the EU, even though the deal meant higher tariffs imposed on exports from the euro area to the United States.

Due to the weak performance in the early months of the year, Finland's economy is expected to only grow by 0.3% this year. Economic growth is slowed down by the US tariff increases and by the general uncertainty. Growth is projected to accelerate to 1.3% in 2026 and further to 1.7% in 2027. Weak consumer demand of households will be gradually picked up by factors including increases in wages and salaries and moderate inflation, but the Ministry of Finance forecasts that employment will not turn to growth until in 2026–2027.

The economic uncertainty and the shadow cast over the economy by the rapid trade and geopolitical changes are still slowing down recovery in construction. In addition, the number of unsold new homes remains at a high level.

In the rental market, competition for good tenants continues and the imbalance between supply and demand is unlikely to enable any large-scale commencement of newbuild rental housing construction next year, either.

According to the September business cycle review of the Confederation of Finnish Construction Industries, housing construction growth is anticipated to remain at

1% this year but to reach a higher figure next year. The recovery of the housing market is, however, still incomplete, and there are no guarantees of growth.

In the rental market, the imbalance between demand and supply will be corrected by the present low rate of newbuild construction, the contraction of state-subsidised housing production, urbanisation and immigration. The oversupply has slowly begun to decrease in the Helsinki Metropolitan Area since the first half of the year.

A recent survey commissioned by SATO shows that the appeal of rental housing is growing across all age groups. In an uncertain economic and employment situation, rental housing is regarded as a safer and more flexible option from the cost management perspective. Towards the end of the decade, new rental homes will be required to support economic growth, urbanisation and growing immigration in locations with good access to public transport and services.

In line with its majority shareholder's operating model, SATO Corporation will not publish guidance on its 2025 earnings. The parent company of Balder Finska Otas AB is Fastighets AB Balder, which is quoted on the Stockholm Stock Exchange.

SATO Corporation's shareholders

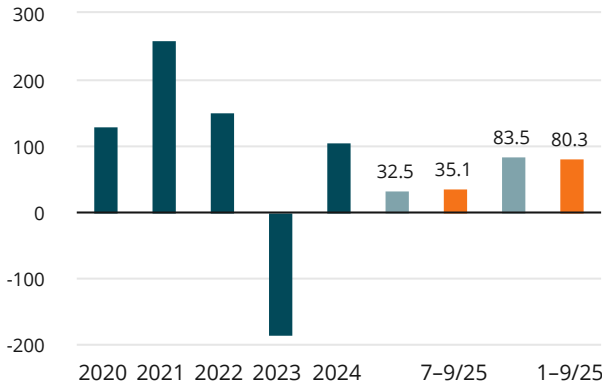
Largest shareholders and their holdings	No. of shares	%
Balder Finska Otas AB (Fastighets AB Balder)	48,510,564	57.0%
Stichting Depositary APG Strategic Real Estate Pool	19,217,470	22.6%
Elo Mutual Pension Insurance Company	10,849,621	12.8%
State Pension Fund of Finland	4,194,300	4.9%
Valkila Erkka	385,000	0.5%
Tradeka Invest Ltd	189,750	0.2%
Research Foundation of the Pulmonary Diseases	180,000	0.2%
SATO Corporation	166,000	0.2%
Komulainen Pekka	159,825	0.2%
Entelä Tuula	151,500	0.2%
Other shareholders (116)	1,058,414	1.2%

On 30 September 2025, SATO had 85,062,444 shares and 126 shareholders registered in the book-entry system. The share turnover rate was 0.1% for the period 1 Jan – 30 Sep 2025.



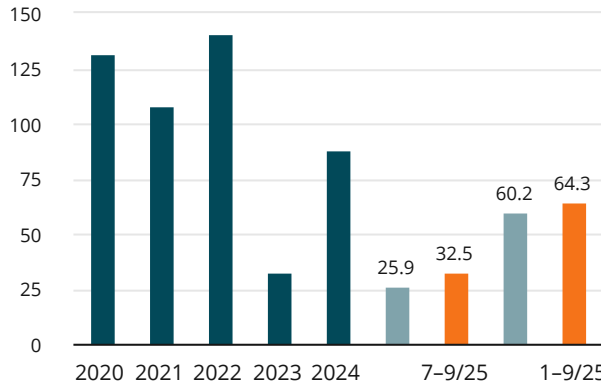
Financial trend

Profit before taxes, EUR million



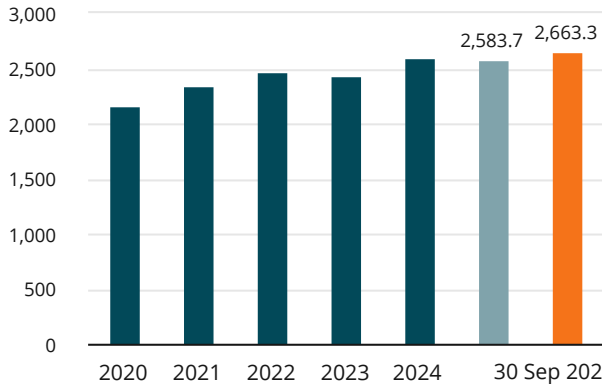
2024 comparison

Cash earnings (CE), EUR million



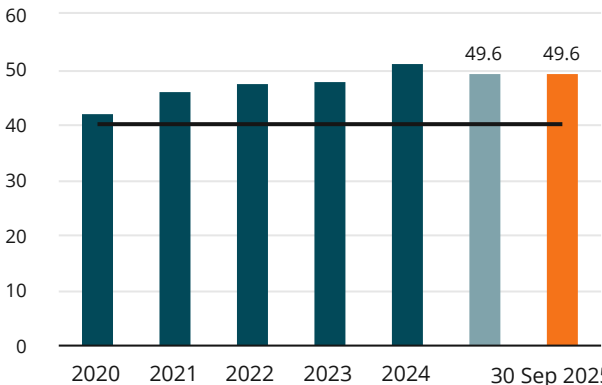
2024 comparison

Shareholders' equity, EUR million



2024 comparison

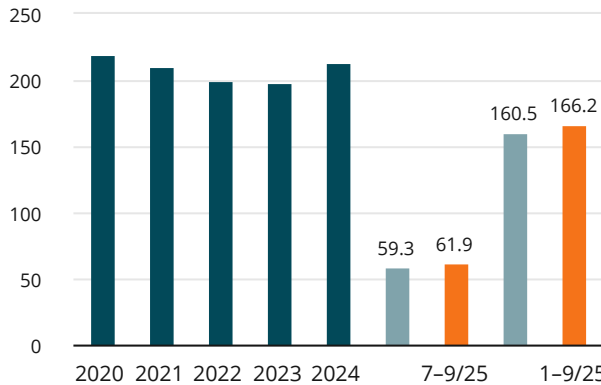
Equity ratio, %



Target > 40%

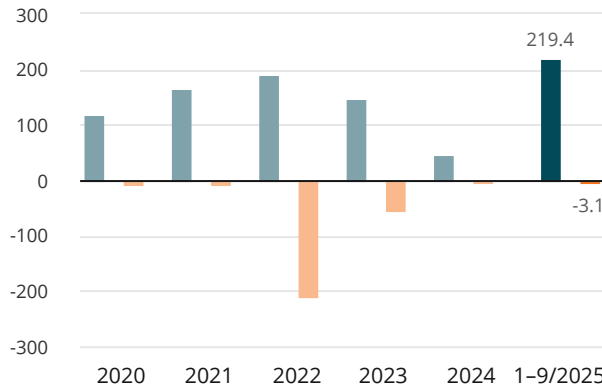
2024 comparison

Net rental income, EUR million



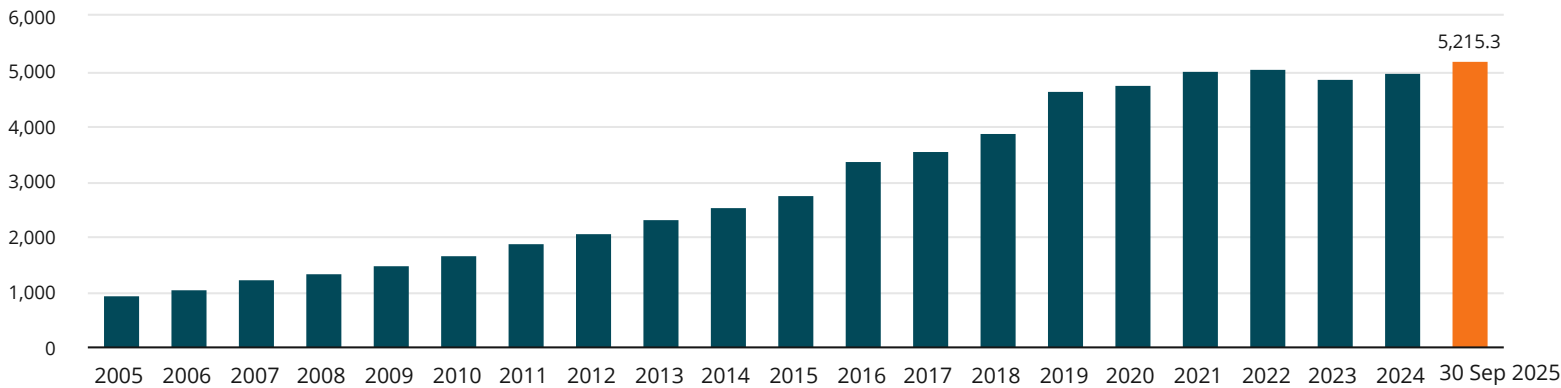
2024 comparison

Housing investments and divestments, EUR million

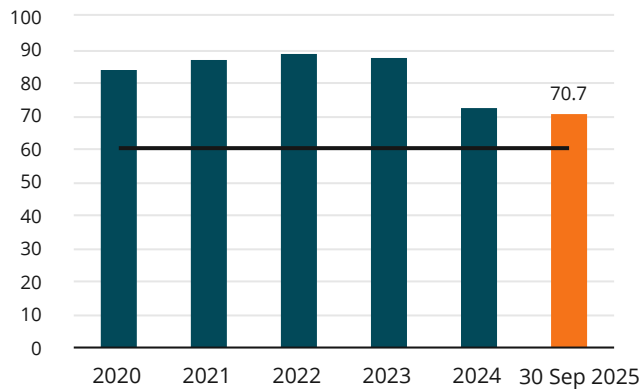


Investments Divestments

Trend in the investment property portfolio value, EUR million



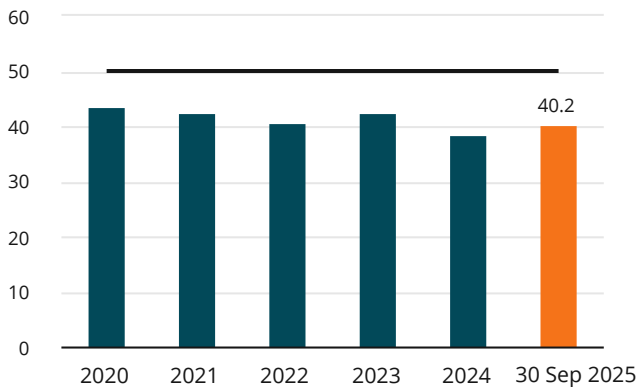
Unencumbered assets, %*



Target ≥ 60%

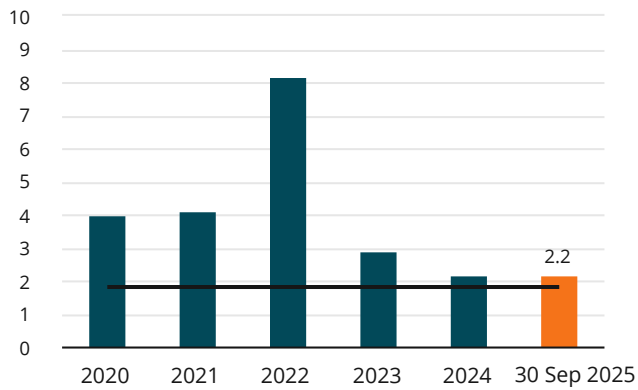
* Not including undrawn credit facilities.

Solvency ratio, %



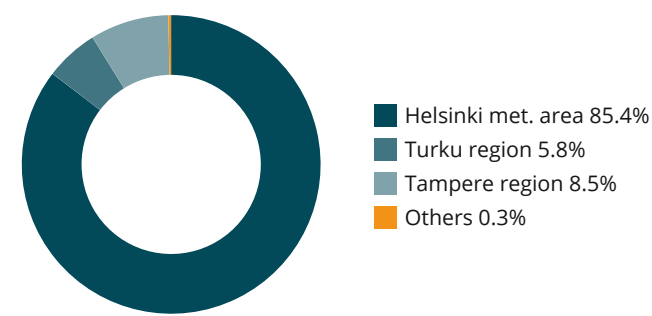
Target < 50%

Interest coverage ratio (RI2)



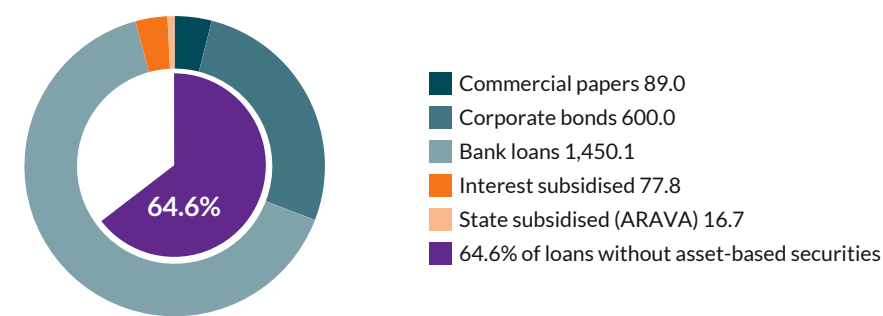
Target > 1.8x

Regional distribution of the housing portfolio 30 Sep 2025, %

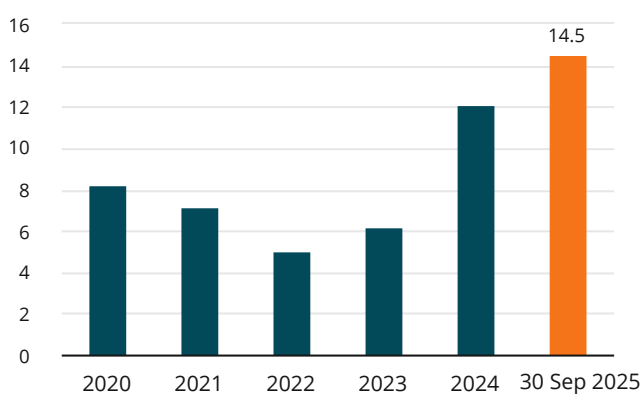


Total housing portfolio EUR 5,045.3 million

Debt portfolio, nominal values 30 Sep 2025, total EUR 2,233.6 million

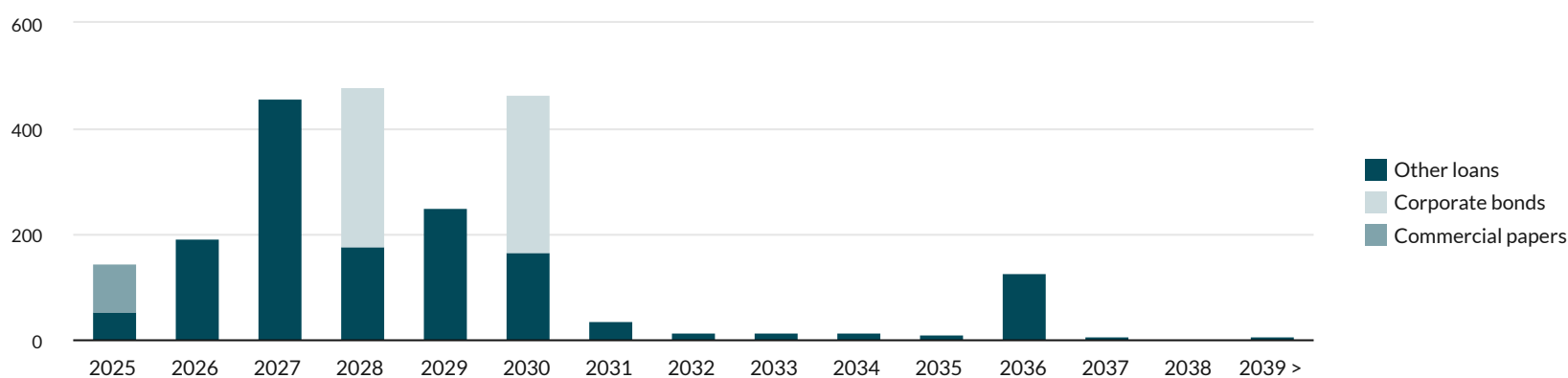


Secured solvency ratio, %*



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

Maturity profile of debt, EUR million



Consolidated income statement, IFRS

EUR million	1 Jul-30 Sep 2025	1 Jul-30 Sep 2024	1 Jan-30 Sep 2025	1 Jan-30 Sep 2024	1 Jan-31 Dec 2024
Net sales	80.9	76.5	235.5	227.0	304.1
Property maintenance expenses	-19.0	-17.1	-69.3	-66.5	-89.8
Net rental income	61.9	59.3	166.2	160.5	214.4
Fair value change of investment properties, realised	0.1	0.5	0.0	0.7	0.7
Fair value change of investment properties, unrealised	5.2	4.0	7.3	10.8	12.0
Sales, marketing and administrative expenses	-9.7	-9.0	-29.6	-28.8	-39.0
Other operating income	0.1	0.6	0.1	1.3	0.4
Other operating expenses	-1.1	-1.0	-3.0	-3.0	-2.9
Share of profit of associated companies and joint ventures	0.0	0.0	0.0	0.0	0.0
Operating profit	56.5	54.5	141.0	141.5	185.6
Financial income	2.6	4.9	9.1	23.6	28.9
Financial expenses	-24.0	-26.9	-69.8	-81.7	-109.0
Net financing expenses	-21.4	-22.0	-60.7	-58.1	-80.1
Profit before tax	35.1	32.5	80.3	83.5	105.4
Income tax expenses	-7.0	-6.4	-16.1	-16.6	-21.3
Profit for the period	28.1	26.1	64.3	66.9	84.1
Profit for the period attributable to					
Equity holders of the parent	28.1	26.1	64.3	66.9	84.1
Non-controlling interests	0.0	0.0	0.0	0.0	0.0
Total	28.1	26.1	64.3	66.9	84.1
Earnings per share attributable to equity holders of the parent					
Basic, EUR	0.33	0.31	0.76	0.84	1.04
Diluted, EUR	0.33	0.31	0.76	0.84	1.04
Average number of shares, million pcs	84.9	84.9	84.9	79.8	81.1

Consolidated statement of comprehensive income, IFRS

EUR million	1 Jul-30 Sep 2025	1 Jul-30 Sep 2024	1 Jan-30 Sep 2025	1 Jan-30 Sep 2024	1 Jan-31 Dec 2024
Other comprehensive income					
Items that may be reclassified to income statement					
Cash flow hedges	0.6	-8.9	-1.0	-6.4	-7.8
Related tax	-0.1	1.8	0.2	1.3	1.6
Items that may be reclassified to income statement total	0.5	-7.1	-0.8	-5.1	-6.2
Other comprehensive income, net of tax	0.5	-7.1	-0.8	-5.1	-6.2
Total comprehensive income	28.5	19.0	63.5	61.8	77.9
Comprehensive income attributable to					
Equity holders of the parent	28.5	19.0	63.5	61.8	77.9
Non-controlling interest	0.0	0.0	0.0	0.0	0.0
Total	28.5	19.0	63.5	61.8	77.9

Consolidated statement of financial position, IFRS

EUR million	30 Sep 2025	30 Sep 2024	31 Dec 2024
Assets			
Non-current assets			
Investment property	5,215.3	4,953.3	4,971.4
Tangible assets	1.9	2.5	2.6
Intangible assets	6.5	6.6	6.7
Investments in associated companies and joint ventures	0.1	0.1	0.1
Other non-current investments	1.0	1.0	1.0
Other right-of-use assets	4.1	3.7	4.1
Derivative receivables	13.6	16.1	15.2
Non-current receivables	2.6	2.7	2.6
Deferred tax assets	7.1	10.9	6.9
Total	5,252.2	4,996.9	5,010.6
Current assets			
Accounts and other receivables	31.9	37.4	15.4
Current tax assets	7.2	7.1	2.3
Cash and cash equivalents	75.7	170.4	31.3
Total	114.9	214.9	49.0
Total assets	5,367.1	5,211.8	5,059.6
Shareholders' equity and liabilities			
Equity attributable to equity holders of the parent			
Share capital	4.4	4.4	4.4
Fair value and other reserves	11.2	13.0	11.9
Reserve fund	43.7	43.7	43.7
Reserve for invested non-restricted equity	314.8	314.8	314.8
Retained earnings	2,289.4	2,207.9	2,225.2
Total	2,663.5	2,583.9	2,600.0
Non-controlling interests	-0.2	-0.2	-0.2
Total shareholders' equity	2,663.3	2,583.7	2,599.8

EUR million	30 Sep 2025	30 Sep 2024	31 Dec 2024
Liabilities			
Non-current liabilities			
Deferred tax liabilities	373.5	377.2	368.8
Provisions	1.4	1.4	1.4
Lease liabilities	55.8	54.8	55.7
Derivative liabilities	0.5	0.6	0.6
Long-term interest-bearing liabilities	1,871.6	1,761.9	1,709.0
Total	2,302.7	2,196.0	2,135.5
Current liabilities			
Accounts payable and other liabilities	65.2	75.8	54.0
Provisions	0.5	0.6	0.5
Lease liabilities	6.0	5.5	5.8
Current tax liabilities	0.0	1.5	2.9
Short-term interest-bearing liabilities	329.3	348.7	261.1
Total	401.1	432.2	324.3
Total liabilities	2,703.8	2,628.2	2,459.8
Total shareholders' equity and liabilities	5,367.1	5,211.8	5,059.6

Consolidated statement of cash flows, IFRS

EUR million	1 Jul-30 Sep 2025	1 Jul-30 Sep 2024	1 Jan-30 Sep 2025	1 Jan-30 Sep 2024	1 Jan-31 Dec 2024
Cash flow from operating activities					
Profit for the period	28.1	26.1	64.3	66.9	84.1
Adjustments:					
Non-cash items included in the profit	-4.1	-2.9	-3.9	-7.5	-7.6
Gains and losses on sales of investment properties and fixed assets	-0.2	-0.6	-0.2	-0.8	-0.9
Other adjustments	0.1	-0.3	0.2	0.0	0.0
Interest expenses and other financial expenses	24.0	26.9	69.8	81.7	109.0
Interest income	-2.6	-4.9	-9.1	-23.6	-28.9
Dividend income	0.0	0.0	0.0	0.0	0.0
Income taxes	7.0	6.4	16.1	16.6	21.3
Cash flow before change in net working capital	52.3	50.8	137.1	133.3	177.1
Change in net working capital:					
Changes in accounts receivable and other receivables	-4.8	-24.2	-16.1	-22.4	0.4
Change in accounts payable and other liabilities	0.3	5.7	11.8	15.7	-1.1
Interest and other financial expenses paid	-12.1	-13.4	-64.6	-74.7	-107.1
Interest received	2.0	7.9	9.0	16.7	23.7
Taxes paid	-7.8	-4.4	-19.2	-3.7	-6.5
Net cash flow from operating activities	29.8	22.5	58.0	64.9	86.6
Cash flow from investing activities					
Investments in investment properties	-208.1	-10.0	-244.2	-51.8	-69.3
Net investment in tangible and intangible assets	-0.4	-0.3	-1.2	-0.9	-1.8
Cash receipts from loans receivable and debt securities	0.0	-	0.0	19.9	19.9
Loans granted and investments in debt securities	-	-	-	-19.8	-19.8
Disposals of investment property	3.3	2.0	10.2	6.8	6.8
Net cash flow from investing activities	-205.2	-8.3	-235.1	-45.7	-64.1

EUR million	1 Jul-30 Sep 2025	1 Jul-30 Sep 2024	1 Jan-30 Sep 2025	1 Jan-30 Sep 2024	1 Jan-31 Dec 2024
Cash flow from financing activities					
Share issue	-	-	-	199.9	199.9
Repayments (-) / withdrawals (+) of current loans	-36.7	-54.6	64.2	-161.4	-221.0
Withdrawals of non-current loans	495.3	268.2	645.3	593.2	768.2
Repayments of non-current loans	-212.2	-72.5	-485.4	-485.4	-743.2
Repayments of lease liabilities	-0.6	-0.5	-2.5	-2.2	-2.1
Net cash flow from financing activities	245.6	140.6	221.6	144.2	1.8
Change in cash and cash equivalents	70.2	154.8	44.4	163.4	24.3
Cash and cash equivalents at the beginning of the period	5.5	15.6	31.3	7.0	7.0
Cash and cash equivalents at the end of the period	75.7	170.4	75.7	170.4	31.3

Consolidated statement of changes in shareholders' equity, IFRS

EUR million	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Fair value and other reserves	Reserve fund	Reserve for invested non-restricted equity	Retained earnings		
Shareholders' equity 1 Jan 2025	4.4	11.9	43.7	314.8	2,225.2	-0.2	2,599.8
Comprehensive income:							
Cash flow hedges, net of tax	-	-0.8	-	-	-	-	-0.8
Profit for the period	-	-	-	-	64.3	0.0	64.3
Total comprehensive income	-	-0.8	-	-	64.3	0.0	63.5
Transactions with shareholders:							
Share issue	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-
Transactions with shareholders, total	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-
Total of equity movements	-	-0.8	-	-	64.3	0.0	63.5
Shareholders' equity 30 Sep 2025	4.4	11.2	43.7	314.8	2,289.4	-0.2	2,663.3

EUR million	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Fair value and other reserves	Reserve fund	Reserve for invested non-restricted equity	Retained earnings		
Shareholders' equity 1 Jan 2024	4.4	18.1	43.7	227.9	2,141.0	-0.2	2,435.0
Comprehensive income:							
Cash flow hedges, net of tax	-	-5.1	-	-	-	-	-5.1
Profit for the period	-	-	-	-	66.9	0.0	66.9
Total comprehensive income	-	-5.1	-	-	66.9	0.0	61.8
Transactions with shareholders:							
Share issue	-	-	-	86.9	-	-	86.9
Dividend	-	-	-	-	-	-	-
Transactions with shareholders, total	-	-	-	86.9	-	-	86.9
Other adjustments	-	-	-	-	-	-	-
Total of equity movements	-	-5.1	-	86.9	66.9	0.0	148.7
Shareholders' equity 30 Sep 2024	4.4	13.0	43.7	314.8	2,207.9	-0.2	2,583.7

Notes to the interim report

I. General information

SATO Corporation is a Finnish public limited company domiciled in Helsinki, Finland. The registered address of the company is Panuntie 4, 00600 Helsinki. SATO Corporation and its subsidiaries together form the consolidated SATO Group ("SATO" or "the Group"). SATO provides housing solutions and its operations consists of investments in housing properties. The focus of the Group's operations is on the largest growth centers, and approximately 85.4% of the investment property is located in the Helsinki region. The rest of the operations are mainly located in Tampere and Turku.

2. Basis of preparation and new accounting standards

SATO's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting standard. Figures presented in this interim report have been rounded from exact figures and therefore the sum of figures presented individually may deviate from the presented sum figure. The preparation of the interim report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The figures in the interim report are unaudited.

The interim report has been prepared according to the same accounting principles as the consolidated financial statements for the year ended 31 December 2024 with the exception of new and amended standards applied to the annual periods beginning on 1 January 2025. New IFRS standards, amendments to standards and IFRIC interpretations which have entered into force at the beginning of the year 2025 has not had any significant impact on the Group.

3. Result on disposal of investment properties

EUR million	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Sale of residential investment properties					
Proceeds from disposal of residential investment properties	2.9	2.3	3.2	2.4	2.4
Carrying value of investment properties sold	-2.8	-1.6	-3.1	-1.9	-1.9
Total	0.1	0.7	0.1	0.5	0.5
Sale of land plots					
Proceeds from disposal of land plots	0.0	-0.2	6.2	4.4	4.4
Carrying value of land plots sold	0.0	0.1	-6.3	-4.2	-4.2
Total	0.0	-0.1	-0.1	0.2	0.2
Total	0.1	0.5	0.0	0.7	0.7

Proceeds from the disposal of investment properties include the disposal price received net of disposal costs. The carrying value of disposed-of assets includes the fair value recognised in the statement of financial position at the end of the previous year end, plus any further investments made thereafter.

4. Other operating income

EUR million	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Other operating income					
Sales income, new production	0.8	0.0	0.8	0.7	0.7
New production expenses	-0.8	0.4	-1.0	0.2	-0.8
Other income	0.1	0.2	0.3	0.4	0.6
Total	0.1	0.6	0.1	1.3	0.4

5. Financial income and expenses

EUR million	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Financial income					
Interest income on loans	0.2	0.9	0.8	5.0	6.4
Interest income on derivatives	2.4	4.0	8.3	12.8	16.6
Dividend income from other non-current investments	-	0.0	0.0	0.0	0.0
Foreign exchange gains	0.0	0.0	0.0	0.0	0.0
Other financial income	-	-	-	5.8	5.8
Total	2.6	4.9	9.1	23.6	28.9

EUR million	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Financial expenses					
Interest expense on financial liabilities measured at amortised cost	-19.2	-22.8	-56.7	-68.6	-90.8
Interest expense on derivatives	-1.7	-1.4	-4.6	-4.3	-5.9
Interest expense on lease liabilities*	-0.9	-0.9	-2.7	-2.6	-3.5
Foreign exchange losses	0.0	0.0	0.0	0.0	0.0
Fair value losses, financial instruments	-0.1	0.2	-0.3	-0.3	-0.4
Other financial expenses	-2.1	-1.9	-5.4	-5.9	-8.4
Total	-24.0	-26.9	-69.8	-81.7	-109.0
Financial income and expenses, net	-21.4	-22.0	-60.7	-58.1	-80.1

* Includes the financial expense component from lease agreements recognised in accordance with IFRS 16 Leases. See note 9 for further information.

6. Investment properties

EUR million	1-9/2025	1-9/2024	1-12/2024
Fair value of investment properties at the start of the period	4,971.4	4,885.7	4,885.7
Acquisitions of properties	219.7	33.6	36.1
New construction and other investments in properties	24.5	26.3	40.4
Disposals of investment properties	-10.7	-7.5	-7.5
Capitalised borrowing costs	0.0	0.6	1.3
Reclassified from other items	1.4	1.2	0.5
Gains and losses in profit and loss from changes in fair value	7.3	10.8	12.0
Remeasurement of right-of-use investment properties, no P/L effect	1.7	2.7	3.0
Fair value of investment properties at the end of the period	5,215.3	4,953.3	4,971.4

Significant acquisitions and disposals during the period

Based on a preliminary contract concluded on 15 November 2024, SATO Corporation and JM Suomi Oy signed the final contract for the sale of a residential apartment building plot in Lauttasaari, Helsinki, on 15 January 2025. The new zoning plan for the plot that was sold will enable the construction of an apartment building with approximately 40 apartments.

Based on a preliminary contract concluded on 13 June 2024, SATO Corporation and Kiinteistö Oy M2-Kodit signed the final contract for the sale of a residential apartment building plot in Oulunkylä, Helsinki, on 11 June 2025. In connection with the sale, SATO also sold 18 parking space shares in Kiinteistö Oy Jokiniementien Pysäköinti.

Based on a preliminary contract concluded on 1 July 2020, SATO Corporation and three landowners (Kesko Oy, Oy Anglo-Nordic Ab and Jokirantakiinteistöt Oy) signed the final contract for the acquisition of a complex of five residential apartment blocks in Kauklahti, Espoo, on 18 June 2025. The new zoning plan for the block area was confirmed on 26 March 2025. The blocks located along Hyttimestarintie have residential building rights for around 700–750 new apartments.

Based on a preliminary contract concluded on 13 June 2024, SATO Corporation and VRP Etelä-Suomi Oy signed the final contract for the sale of a residential apartment building plot in Laajalahti, Espoo, on 19 August 2025. The sold plot included a residential apartment building planned for demolition. As part of the transaction, ownership of the 26 apartments located in the building was transferred to VRP Etelä-Suomi Oy.

On 1 July 2025, SATO signed a purchase agreement with the OP-Rental Yield Fund for 968 rental homes. The acquisition includes 16 residential properties located in the Helsinki Metropolitan Area, Turku, Tampere, Pirkkala, Jyväskylä and Oulu.

SATO did not make any significant disposals of completed investment properties during the period.

Investment property valuation principles

SATO's investment properties mainly comprise of residential properties. In addition, the investment properties include commercial premises, parking spaces, unbuilt land and development projects, as well as right-of-use investment properties.

The housing properties are located in the largest growth centres, with approximately 85.4% of them located in the Helsinki region. The quality of investment properties is maintained by renovation and repair activities based on their lifecycle and repair plans. The change in the fair value of SATO's investment property was mainly due to market price levels, reclassifications from measurement group to another when legal restrictions ended and changes in parameters used in valuation.

Some of the residential investment properties are subject to legislative and usage restrictions. The so-called non-profit restrictions apply to the owning company and the so-called property-specific restrictions apply to the investment owned. The non-profit restrictions include permanent limitations on the company's operations, distribution of profit, lending and provision of collateral, and the divestment of investments. The property-specific restrictions include the use of apartments, the selection of residents, the setting of rents and divestment of apartments, and they are fixed-term.

The valuation of investment properties in SATO's ownership is based on a method which has been prepared by SATO in co-operation with a third party expert (currently: JLL). The external expert semi-annually issues a statement on the applicability of SATO's valuation methods, the appropriateness of sources of information used and the credibility of the valuation. As part of the valuation process, the external expert also reviews each SATO's property on site every three years. The principles and methods used in the fair value measurement are approved by the Corporate Management Group. During the valuation process all the periodical changes are analysed. The result of the valuation and the periodic change in fair value recorded through profit and loss are reported to the Corporate Management Group and Board of Directors.

At inception, owned investment properties are recognised at acquisition value, which includes transaction costs. Thereafter, they are recorded at fair value. Gains and losses from changes in fair value are recorded through profit and loss in the period when they are incurred. Fair value of an investment property represents the price that, according to the Group's estimate, would be received for the property in an orderly transaction taking place in the local (principal) market at the reporting date, considering the condition and location of the property. The valuation methods for SATO's owned investment properties are income value method and acquisition cost method. The valuation is prepared with income value method for investment properties that can be sold without restrictions, or can be sold as entire properties and to a restricted group of buyers. The method is based on a cash flow analysis, whereby the estimated cash flows for 10 years and the terminal value are discounted to their present value. The cash flows are based on property-specific estimates of rental income, vacancy, operating expenses and renovation. The discount rate includes yield requirement and an inflation estimate. The yield requirements are determined based on the location, age and technical condition of the assets. Properties funded with ARAVA loans or interest-subsidised loans are valued at cost less any impairments, which is estimated to represent their fair value. Unbuilt land and development projects whose realisation is uncertain are valued at cost or probable value, whichever is lower, if their fair value cannot be determined reliably.

SATO's right-of-use investment properties include land plots leased for residential construction. The land lease agreements are accounted for as right-of-use assets classified as investment property and measured at fair value in accordance with the IFRS 16 Leases and IAS 40 Investment property standards. They are valued at the present value of future lease payments of the underlying agreements, which is considered to be equivalent to their fair value.

EUR million	30 Sep 2025	30 Sep 2024	31 Dec 2024
Investment property classified by valuation method			
Income value method	4,896.6	4,618.5	4,636.7
Acquisition cost	261.1	278.2	278.0
Owned investment property, total	5,157.6	4,896.7	4,914.7
Right-of-use investment properties	57.7	56.6	56.7
Investment property, total	5,215.3	4,953.3	4,971.4

Sensitivity analysis of investment properties

Sensitivity analysis of investment properties has been presented in the 2024 consolidated financial statements. Quarterly changes are not significant. All SATO's investment properties are classified to hierarchy level 3 under IFRS 13. Items which are included in the hierarchy level 3 are measured using input data which is not based on observable market data.

7. Tangible assets

EUR million	1-9/2025	1-9/2024	1-12/2024
Carrying value, beginning of the period	2.6	3.3	3.3
Additions	0.0	0.1	0.4
Disposals	-0.4	-0.2	-0.5
Accumulated depreciation of disposals	0.4	0.1	0.5
Transfers between items	0.0	0.0	0.0
Depreciation and impairments	-0.7	-0.8	-1.1
Carrying value, end of the period	1.9	2.5	2.6

8. Intangible assets

EUR million	1-9/2025	1-9/2024	1-12/2024
Carrying value, beginning of the period	6.7	7.2	7.2
Additions	1.3	0.9	1.6
Disposals	-	-	-
Accumulated depreciation of disposals	-	-	-
Transfers between items	-	-	-
Depreciation	-1.6	-1.6	-2.1
Carrying value, end of the period	6.5	6.6	6.7

9. Leases

Right-of-use assets

EUR million	1-9/2025	1-9/2024	1-12/2024
Right-of-use investment properties			
Carrying value, beginning of the period	56.7	54.7	54.7
Disposals	-	-0.1	-0.1
Remeasurement of lease agreements	1.7	2.7	3.0
Changes of fair value in profit and loss	-0.7	-0.7	-0.9
Carrying value, end of the period	57.7	56.6	56.7
Other right-of-use assets, office premises			
Carrying value, beginning of the period	3.2	4.2	4.2
Remeasurement of lease agreements	0.1	0.2	0.2
Depreciation for the period	-0.9	-0.9	-1.2
Carrying value, end of the period	2.4	3.5	3.2
Other right-of-use assets, cars			
Carrying value, beginning of the period	0.9	-	-
Additions	1.0	0.2	0.9
Remeasurement of lease agreements	0.0	0.0	0.0
Depreciation for the period	-0.2	0.0	-0.1
Carrying value, end of the period	1.7	0.2	0.9
Total carrying value, beginning of the period	60.8	58.9	58.9
Total carrying value, end of the period	61.7	60.3	60.8

The right-of-use investment properties include land lease agreements, which are related to residential investment properties. They are measured at fair value and presented under investment properties in the statement of financial position (see note 6). Other right-of-use assets include leases for premises for SATO's own use and car leases.

Lease liabilities

EUR million	30 Sep 2025	30 Sep 2024	31 Dec 2024
Non-current			
From land lease agreements	53.1	52.1	52.7
From other lease agreements, office premises	1.4	2.6	2.3
From other lease agreements, cars	1.3	0.1	0.7
Total	55.8	54.8	55.7
Current			
From land lease agreements	4.3	4.2	4.3
From other lease agreements, office premises	1.3	1.2	1.2
From other lease agreements, cars	0.5	0.1	0.2
Total	6.0	5.5	5.8
Total lease liabilities	61.8	60.4	61.5

10. Shareholders' equity

The total number of SATO's shares as of 30 September 2025 was 85,062,444 (85,062,444) and the number of own shares held was 166,000 (166,000).

The following dividends were distributed by the company during the period:

EUR million	1-9/2025	1-9/2024	1-12/2024
The following dividend was declared by the company:			
Dividend 0.00 (0.00) per share, EUR	0.0	0.0	0.0
Total	0.0	0.0	0.0

The Annual General Meeting of SATO Corporation resolved on 20 March 2025 that dividends shall not be distributed for the 2024 financial period.

II. Financial liabilities

EUR million	30 Sep 2025	30 Sep 2024	31 Dec 2024
Financial liabilities			
Commercial papers	88.1	83.5	23.9
Corporate bonds	575.7	570.4	571.8
Bank loans	1,442.6	1,351.7	1,270.1
Interest-subsidised loans	77.8	84.0	83.4
State-subsidised ARAVA loans	16.7	21.0	21.0
Total	2,200.9	2,110.6	1,970.1

On the reporting date, the average interest of SATO's debt portfolio was 3.4% (4.0) and the average maturity was 3.4 years (3.7).

For purposes of short-term financing, SATO has a commercial paper program of EUR 400.0 million (400.0) of which EUR 311.0 million (314.0) were unused, committed credit limits of EUR 600.0 million (600.0), of which EUR 600.0 million (600.0) were unused, and a non-committed current overdraft limit of EUR 5.0 million (5.0), of which EUR 5.0 million (5.0) were unused.

12. Derivatives

EUR million	Positive	30 Sep 2025 Negative	Net	30 Sep 2024 Net	31 Dec 2024 Net
Fair values of derivative instruments					
Interest rate swaps, cash flow hedge	13.9	-0.5	13.4	15.7	14.4
Interest rate swaps, not in hedge accounting	0.5	-	0.5	0.9	0.8
Total	14.3	-0.5	13.9	16.6	15.2

EUR million	30 Sep 2025	30 Sep 2024	31 Dec 2024
Nominal values of derivative instruments			
Interest rate swaps, cash flow hedge	458.0	408.0	408.0
Interest rate swaps, not in hedge accounting	50.0	50.0	50.0
Total	508.0	458.0	458.0

Change in fair value of designated interest rate hedges, booked to fair value reserve, totalled EUR -0.8 million (-5.1). Interest rate swaps are used to hedge interest cash flows against fluctuations in market interest rates. Interest rate hedges have maturities ranging mainly between 1–10 years. Typically netting agreements are applied to derivative contracts, however the contracts are represented in gross value in financial statements. The method of presentation has no significant impact on figures on reporting or comparative periods.

13. Fair values of financial instruments

EUR million	30 Sep 2025			30 Sep 2024		
	Level 1:	Level 2:	Level 3:	Level 1:	Level 2:	Level 3:
Assets						
Other non-current investments	-	1.0	-	-	1.0	-
Derivative assets	-	14.3	-	-	17.2	-
Accounts receivable and other non-interest-bearing receivables	-	8.3	-	-	8.4	-
Cash and cash equivalents	-	75.7	-	-	170.4	-
Liabilities						
Corporate bonds	573.5	-	-	544.1	-	-
Other loans	-	1,622.6	-	-	1,545.8	-
Derivative liabilities	-	0.5	-	-	0.6	-
Accounts payable and other non-interest-bearing payables	-	18.8	-	-	26.7	-

EUR million	31 Dec 2024		
	Level 1:	Level 2:	Level 3:
Assets			
Other non-current investments	-	1.0	-
Derivative assets	-	15.8	-
Accounts receivable and other non-interest-bearing receivables	-	9.6	-
Cash and cash equivalents	-	31.3	-
Liabilities			
Corporate bonds	546.8	-	-
Other loans	-	1,404.9	-
Derivative liabilities	-	0.6	-
Accounts payable and other non-interest-bearing payables	-	16.4	-

Fair values of assets and liabilities at fair value hierarchy level 1 are quoted on operational markets. Level 2 assets and liabilities fair values are based on verifiable input data and level 3 assets and liabilities are based on unverified input data.

SATO fair values of assets and liabilities level 1 are quoted market prices. Values on hierarchy level 2 are based on discounted cash flows, with market rates as calculation input. Loans are presented at acquisition cost.

14. Provisions

EUR million	2025	2024
Provision for refund claims, 1 Jan	1.9	2.0
Increases	0.1	0.0
Provisions used	-0.1	0.0
Reversals	0.0	0.0
Provision for refund claims, 30 Sep	1.9	2.0

EUR million	30 Sep 2025	30 Sep 2024	31 Dec 2024
Non-current provisions	1.4	1.4	1.4
Current provisions	0.5	0.6	0.5
Total	1.9	2.0	1.9

The provision for refund claim includes guarantees related to new construction business and a 10-year warranty period after completion of the work. The provision for refund claim is measured based on previous claims and an assessment of previous experience. The provision for refund claim will be used, if applicable, within 10 years from the reporting date. SATO has no other provisions on 30 September 2025.

I5. Notes to the cash flow statement

EUR million	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Non-cash items included in the profit					
Depreciation and amortisation	1.2	1.1	3.4	3.3	4.5
Gains and losses from changes in fair value of investment properties	-5.2	-4.0	-7.3	-10.8	-12.0
Change in provisions	-0.1	0.0	0.0	0.0	-0.1
Share of profit of associated companies and joint ventures	0.0	0.0	0.0	0.0	0.0
Total	-4.1	-2.9	-3.9	-7.5	-7.6

EUR million	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Changes in interest-bearing debt during the period					
Interest-bearing debt, beginning of the period	1,953.1	1,966.5	1,970.1	2,159.2	2,159.2
Cash changes in interest-bearing debt during the period, total	246.3	141.2	224.1	-53.6	-196.0
Non-cash changes:					
Interest accrued by the effective interest rate method	2.0	0.8	5.5	2.0	3.8
Transfers of debt to buyers upon disposals of investment property and other adjustments	-0.5	2.2	1.2	3.0	3.1
Interest-bearing debt, end of the period	2,200.9	2,110.6	2,200.9	2,110.6	1,970.1

I6. Collateral, commitments and contingencies

EUR million	30 Sep 2025	30 Sep 2024	31 Dec 2024
Mortgages and pledges for secured borrowings			
Secured borrowings	780.0	655.4	604.5
Pledges and mortgages provided, fair value	1,574.0	1,484.7	1,365.2
Guarantees for others			
Rs-guarantees	1.9	1.9	1.9
Other collateral provided			
Mortgages provided to secure payment of rent and street maintenance	7.2	7.2	7.2
Guarantees and mortgages provided to secure payments of land use contracts	3.2	0.7	0.4
Binding purchase agreements			
For acquisitions of investment properties	0.3	4.2	1.3
Pledges for land use payments on zoned plots	0.8	0.2	0.2
Letters of intent on properties under development for which there is a zoning or other condition	17.9	50.3	41.1

17. Related party transactions

SATO Group's related party consists of SATO Corporation, its parent company, sister companies, subsidiaries, joint ventures and associated companies. SATO's related party includes shareholders that have direct or indirect control or joint control or significant influence or is a member of the key management personnel of the reporting entity or of a parent of the reporting entity or is a close family member of the key management personnel. Shareholders whose holding is 20% or more are automatically considered as a related party of SATO. When ownership is below 20% shareholders are considered as a related party when they have considerable influence of the reporting entity, for example through a position in the Board of Directors.

Shareholders that are considered as SATO's related party in 2025 are Balder Finska Otas AB, other Balder-group companies (parent company: Fastighets AB Balder), Erik Selin Fastigheter AB, Stichting Depositary APG Strategic Real Estate Pool together with its parent company and asset manager (parent company: Stichting Pensioenfonds ABP, >95%; asset manager: APG Asset Management NV) and Elo Mutual Pension Insurance Company.

The members of the Board of Directors of SATO Corporation, the CEO and other members of the Extended Corporate Management Group and their close family members and the entities controlled or jointly controlled by them and joint venture SV-Asunnot Oy are considered as SATO's related party. The Extended Corporate Management Group comprises of SATO Corporation's President and CEO; EVP, Investments; Commercial Director; Chief Financial Officer; EVP, Housing Business; Chief Digital Officer; VP, Human Resources; Director, Business Development; and VP, General Counsel.

On 28 March 2024, SATO Corporation has received an unsecured revolving credit facility from Fastighets AB Balder in the amount of EUR 350.0 million, with the maturity at 31 March 2027. No withdrawals from the facility were made during the period.

The terms and conditions used in the related party transactions are equivalent to the terms used in transactions between independent parties.

EUR million	1-9/2025	1-9/2024	1-12/2024
Extended Management Group employee benefits			
Salaries and other short-term employee benefits	1.7	1.5	1.8
Total	1.7	1.5	1.8

Incentive schemes

Persons employed by SATO Group are not paid separate remuneration when serving as a member of the Board of Directors or as a President of a Group company. The members of SATO's Corporate Management Group and SATO's other management are covered by an annual incentive scheme based on SATO's profit and fulfilment of the targets for their respective area of responsibility.

18. Subsequent events

SATO's sustainability management was recognised at a top European level in the results published by the Global Real Estate Sustainability Benchmark (GRESB) in October. The company received the highest possible score in GRESB's Management component and ranked first among more than a thousand evaluated European real estate companies.

No other significant events after the end of the reporting period.

Key indicators, Group

Key financial indicators	1-9/2025	1-9/2024	2024	2023	2022	2021	2020
Net sales, EUR million	235.5	227.0	304.1	288.4	291.2	298.3	303.4
Net rental income, EUR million	166.2	160.5	214.4	198.7	200.4	210.6	220.3
Operating profit, EUR million	141.0	141.5	185.6	-113.6	198.9	304.5	179.6
Net financing expenses, EUR million	-60.7	-58.1	-80.1	-72.2	-47.0	-45.1	-50.0
Profit before taxes, EUR million	80.3	83.5	105.4	-185.8	151.9	259.4	129.5
Balance sheet total, EUR million	5,367.1	5,211.8	5,059.6	5,085.0	5,184.7	5,091.4	5,104.7
Shareholders' equity, EUR million	2,663.3	2,583.7	2,599.8	2,435.0	2,480.9	2,351.3	2,155.7
Interest-bearing liabilities, EUR million	2,200.9	2,110.6	1,970.1	2,159.2	2,145.7	2,169.5	2,381.5
Return on invested capital (ROIC), %	4.0%	4.1%	4.0%	-2.5%	4.3%	6.7%	4.1%
Return on equity (ROE), %	3.3%	3.6%	3.3%	-6.3%	5.0%	9.1%	4.8%
Equity ratio, %	49.6%	49.6%	51.4%	47.9%	47.8%	46.2%	42.2%
Solvency ratio, %	40.2%	38.5%	38.6%	42.4%	40.7%	42.5%	43.8%
Interest cover ratio (R12)	2.2	2.3	2.2	2.9	8.2	4.1	4.0
Unencumbered assets ratio, %	70.7%	71.5%	73.0%	87.7%	89.2%	87.5%	84.1%
Secured solvency ratio, %***	14.5%	12.6%	12.1%	6.2%	5.0%	7.2%	8.2%
Personnel, average*	321	320	315	333	328	276	229
Personnel at the end of the period	313	304	300	323	325	313	242
Key indicators per share							
Earnings per share, EUR	0.76	0.84	1.04	-2.72	2.13	3.64	1.80
Equity per share, EUR**	31.37	30.44	30.63	43.01	43.82	41.53	38.07
Number of shares outstanding, million pcs	84.9	84.9	84.9	56.6	56.6	56.6	56.6
Operational key figures and net asset value							
Operational earnings, EUR million	58.8	57.2	74.4	58.7	88.5	101.6	109.0
Operational earnings per share, EUR	0.69	0.72	0.92	1.04	1.56	1.79	1.92
Net asset value, EUR million	3,018.8	2,933.6	2,949.8	2,767.5	2,849.4	2,779.3	2,577.2
Net asset value per share, EUR	35.56	34.55	34.75	48.88	50.33	49.09	45.52
Cash earnings (CE), EUR million	64.3	60.2	88.2	32.9	141.3	107.9	132.1
Cash earnings per share (CEPS), EUR	0.76	0.75	1.09	0.58	2.50	1.91	2.33

Quarterly key financial indicators	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Net sales, EUR million	80.9	77.5	77.2	77.1	76.5	75.8	74.7
Net rental income, EUR million	61.9	57.5	46.8	53.9	59.3	57.5	43.7
Operating profit, EUR million	56.5	46.1	38.4	44.0	54.5	52.2	34.9
Profit and losses from changes of fair value, EUR million	5.2	0.7	1.4	1.1	4.0	5.1	1.7
Net financing expenses, EUR million	-21.4	-19.2	-20.1	-22.1	-22.0	-20.8	-15.3
Profit before taxes, EUR million	35.1	26.9	18.3	21.9	32.5	31.4	19.6
Earnings per share, EUR	0.33	0.25	0.17	0.21	0.31	0.30	0.23
Average number of shares outstanding, million pcs	84.9	84.9	84.9	84.9	84.9	84.9	69.7
Housing investments, EUR million	207.5	8.0	3.9	16.9	8.9	10.0	12.8
as percentage of net sales	256.6%	10.3%	5.1%	21.9%	11.7%	13.2%	17.1%
Operational key figures							
Operational earnings, EUR million	24.0	21.6	13.3	16.6	22.2	21.1	14.6
Operational earnings per share, EUR	0.28	0.25	0.16	0.20	0.26	0.25	0.21
Cash earnings (CE), EUR million	32.5	9.0	22.8	28.0	25.9	8.8	25.5
Cash earnings per share (CEPS), EUR	0.38	0.11	0.27	0.31	0.31	0.10	0.37

* Including seasonal employees.

** Equity excluding non-controlling interests.

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

Items impacting comparability

SATO's equity and the number of shares have increased after the rights offering completed in 2024. Comparative figures have not been restated.

Formulas used in calculation

Net rental income, EUR =	Net Sales – Property maintenance expenses	
Return on invested capital (ROIC), % =	$\frac{\text{Operating profit}}{\text{Balance sheet total average during the period} - \text{non-interest-bearing debt average during the period}} \times 100$	
Return on equity (ROE), % =	$\frac{\text{Profit for the period}}{\text{Shareholders' equity average during the period}} \times 100$	
Equity ratio, % =	$\frac{\text{Shareholders' equity}}{\text{Balance sheet total}} \times 100$	
Solvency ratio, % =	$\frac{\text{Interest-bearing liabilities} - \text{Cash and Cash Equivalents}}{\text{Balance sheet total} - \text{Cash and Cash Equivalents}} \times 100$	
Interest cover ratio (R12) =	$\frac{\text{Operating profit} -/+ \text{Fair value change of investment properties, unrealised} - \text{Carrying value of investment properties sold} + \text{Depreciations}}{\text{Net financing expenses}}$	
Unencumbered assets ratio, % =	$\frac{\text{Balance sheet total} - \text{Pledges and mortgages provided, fair value}}{\text{Balance sheet total}} \times 100$	
Secured solvency ratio, % =	$\frac{\text{Secured borrowings}}{\text{Balance sheet total}} \times 100$	
Earnings per share, EUR =	$\frac{\text{Profit for the period attributable to owners of the parent}}{\text{Number of shares, Basic, average during the period}}$	
Equity per share, EUR =	$\frac{\text{Shareholders' equity attributable to owners of the parent}}{\text{Number of shares, Basic, at the end of the reporting period}}$	

Operational earnings, EUR =	Profit for the period, IFRS -/+ Gains and losses from valuation of investment properties – Profit on sales of investment properties + Loss on sales of investment properties -/+ Profit on sales of new apartments adjusted with sales and marketing expenses -/+ Profit on sales of land areas -/+ Fair value change of financial instruments -/+ Deferred taxes of above items – Non-controlling interests
Net asset value, EUR =	Shareholders' equity attributable to owners of the parent -/+ Fair value of financial instruments (net), net of tax -/+ Deferred tax assets and liabilities (net)
Cash earnings (CE), EUR =	Operating profit +/- Gains and losses from valuation of investment properties + Depreciations +/- Change of provisions +/- Defined benefit plans – Cash based financial income and expenses – Cash based taxes +/- Other items



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