Presentation material 28 October, 2025 | Antti Aarnio, President & CEO

Interim Report I–9 2025

sato

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SATO as a company

SATO as a company

With around **27,000** rental homes we are one of the leading housing providers in Finland.

We have nearly 45,000 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 1–9/2025 was 95.2%.

Our net sales in 1–9/2025 was EUR 235.5 million.

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

SATO's strategy

Customer experience

– close to customer

Sustainability and responsible housing

– homes for generations

Personnel

– forerunners now and tomorrow

SATO's values

Human to human

Be bold, aim high

Joy of succeeding together

Portfolio investment boosts SATO's profitable growth

Operating environment

- Finland's economic growth is expected to start slowly. The business outlook has improved, but economic growth is still slowed down by household confidence being weak.
- Consumer expectations regarding Finland's economic development picked up slightly in September but still remained low. Expectations concerning the general development of unemployment remained pessimistic.
- 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. 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. The rents of non-subsidised rental homes in the Helsinki Metropolitan Area decreased for the first time since records began.
- The economic situation and persistently weak consumer confidence have frozen the budding recovery in construction. Rental homes are still being constructed.
- The cuts in state-subsidised housing production are expected to reduce the imbalance between demand and supply going forward.

Summary 1–9 2025

1.1.–30.9.2025 (1.1.–30.9.2024)

- 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).
- 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 7–9 2025

1.7.–30.9.2025 (1.7.–30.9.2024)

- 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).
- 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.

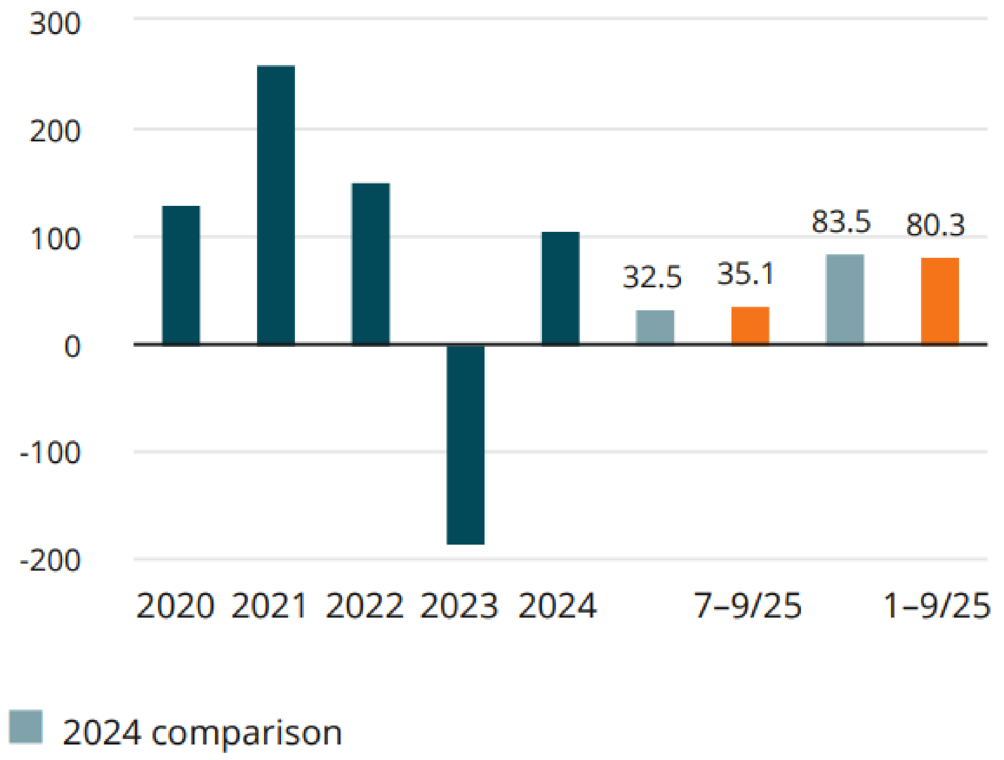
Highlights of the quarter

Antti Aarnio

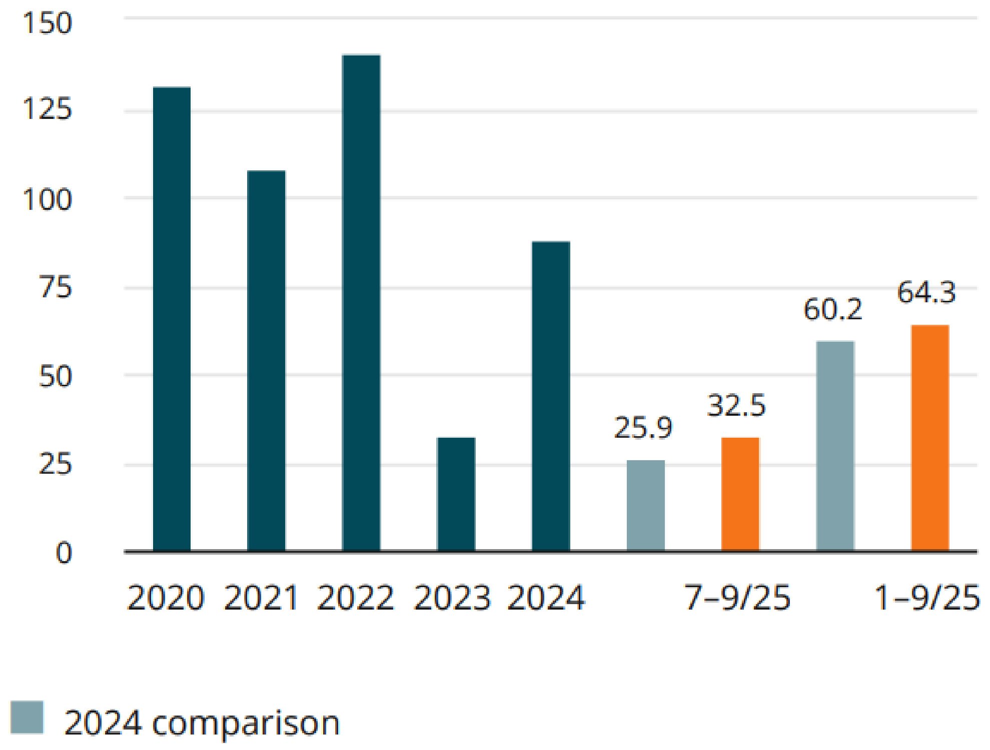
- In line with the preceding quarters, Q3 was challenging and an exceptional oversupply persisted in the rental market.
- SATO invested in existing housing stock rather than in newbuild construction. In July, the company acquired almost 1,000 apartments from the OP-Rental Yield Fund. The company now 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 m^2 (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).

Profit and cash earnings

Profit before taxes, EUR million

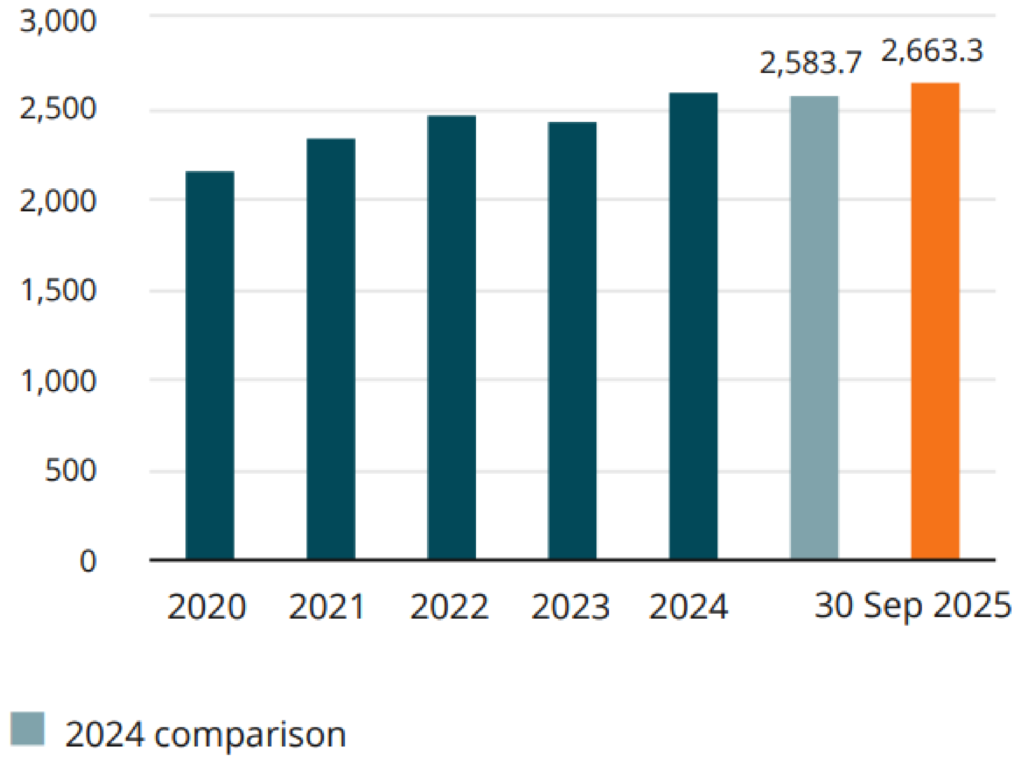


Cash earnings (CE), EUR million

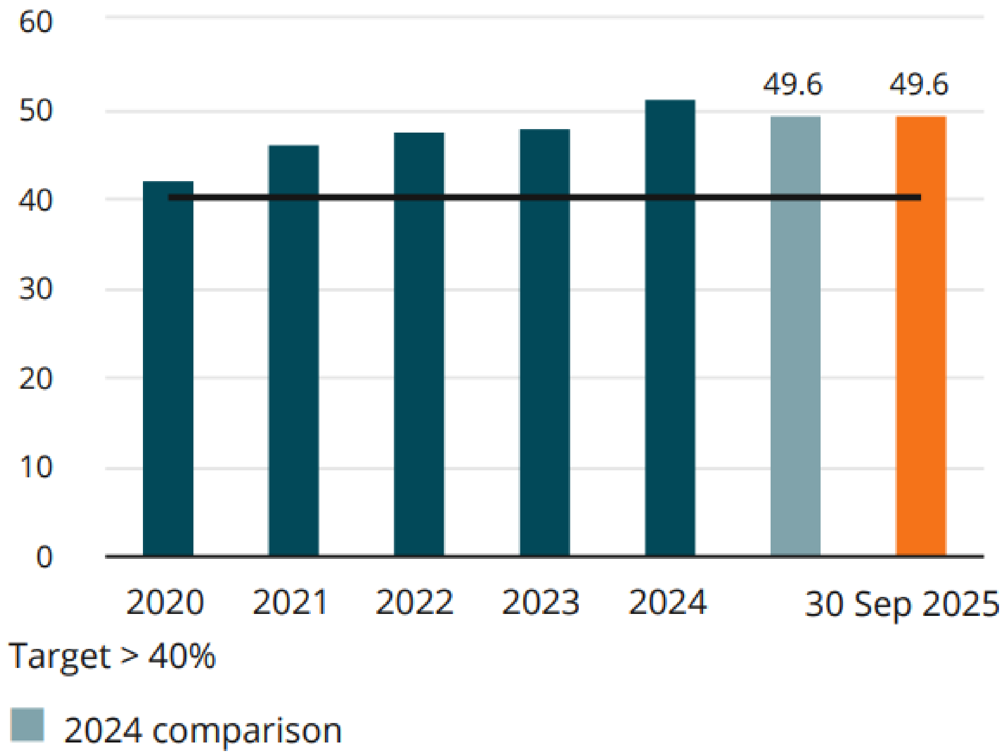


Financial position

Shareholders'equity, EUR million

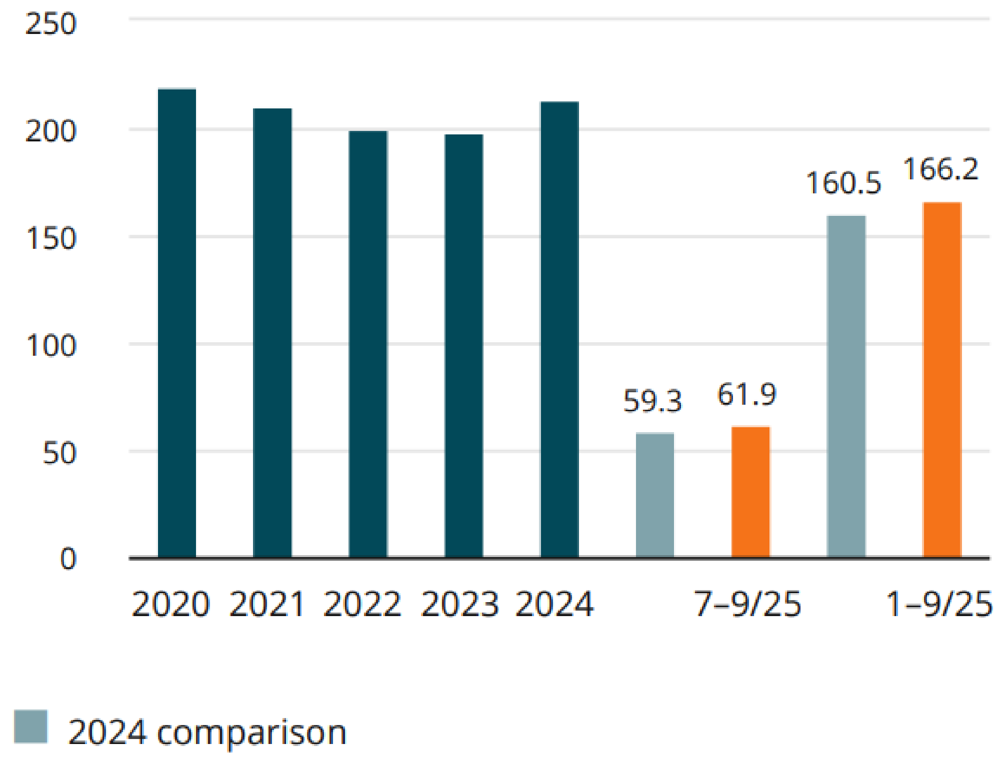


Equity ratio, %



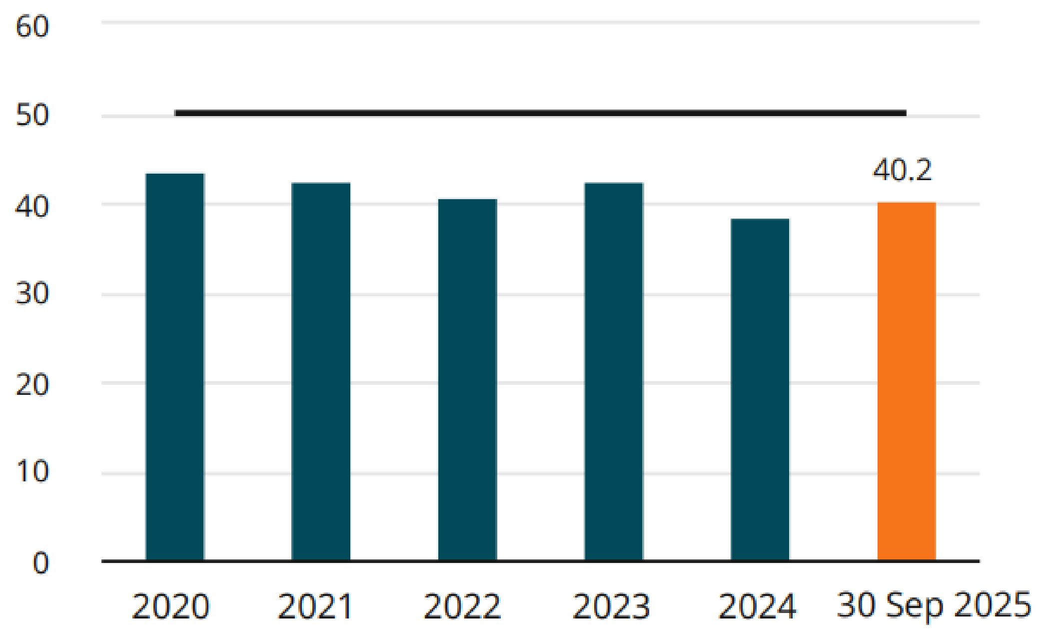
Rental income

Net rental income, EUR million



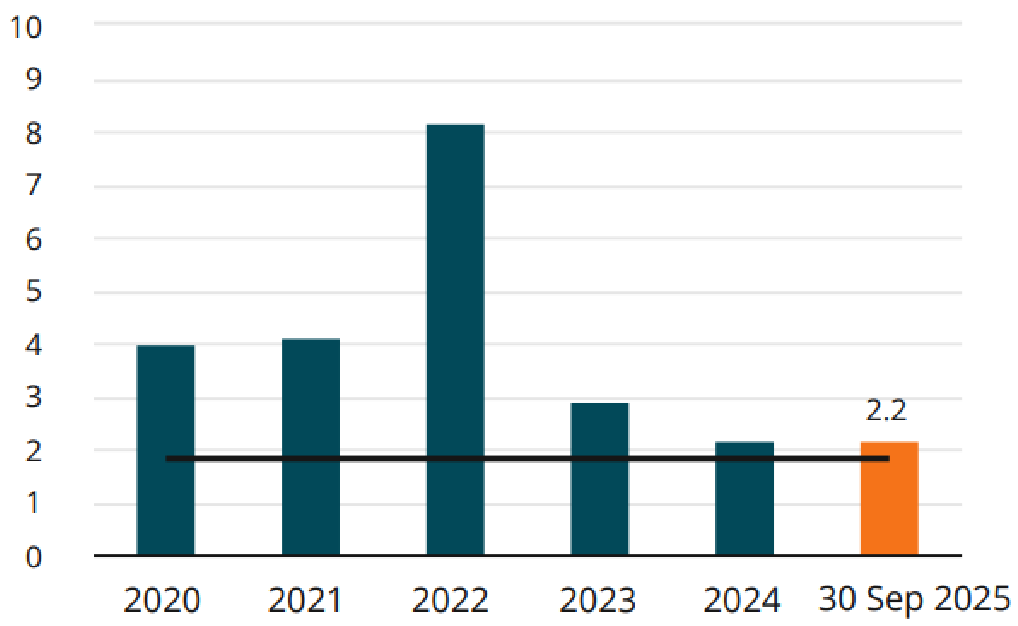
Solvency ratio

Solvency ratio, %



Target < 50%

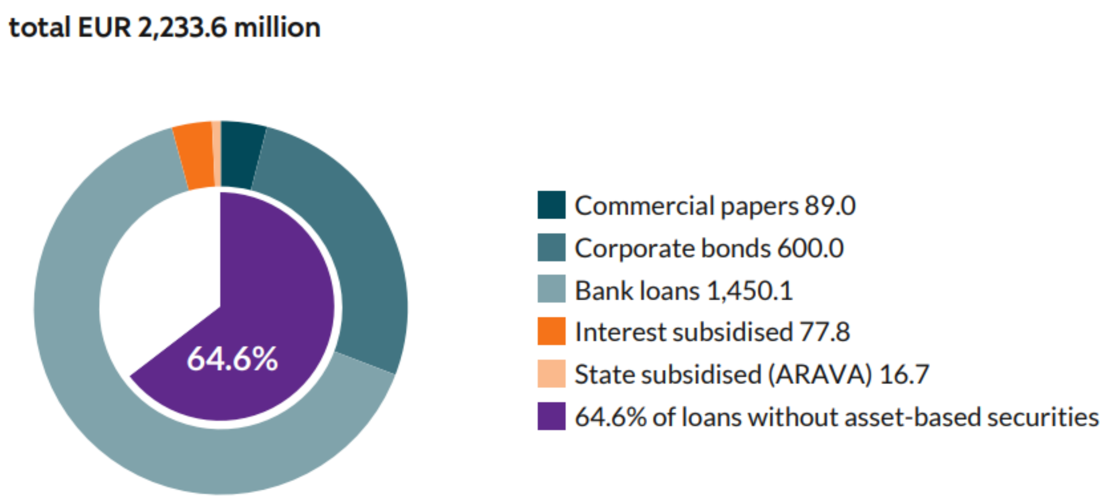
Interest coverage ratio (RI2)



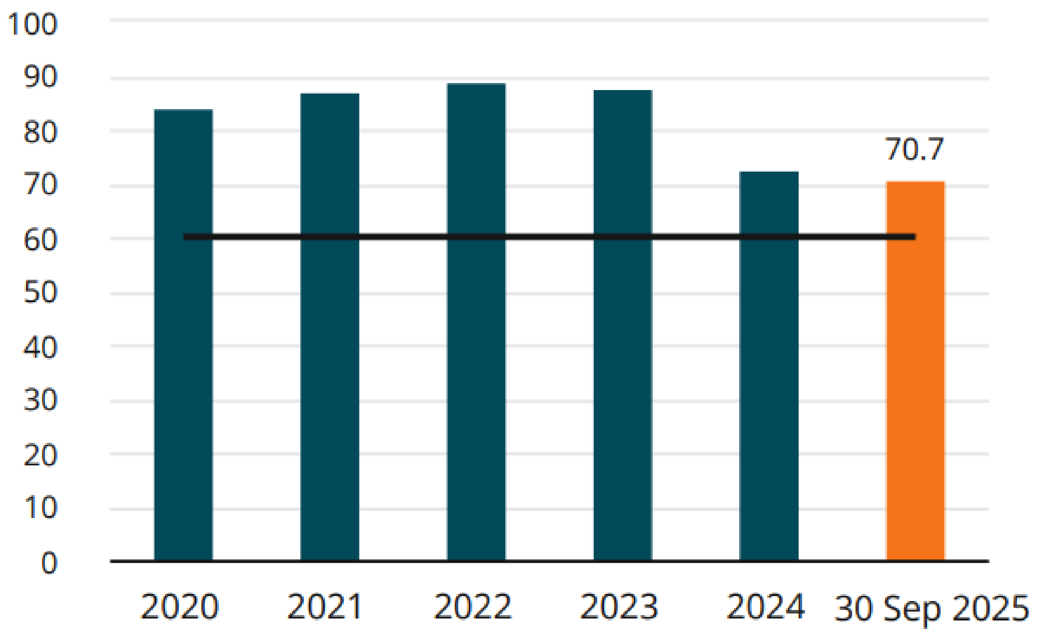
Target > 1.8x

Broad financing base

Debt portfolio, nominal values 30 September 2025



Unencumbered assets, %

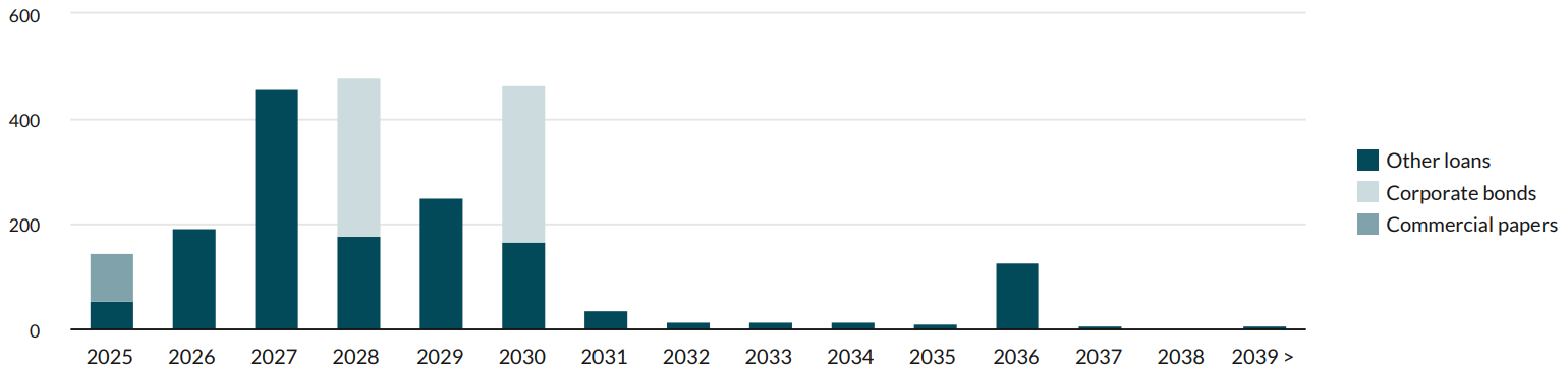


Target ≥ 60%

* Not including undrawn credit facilities.

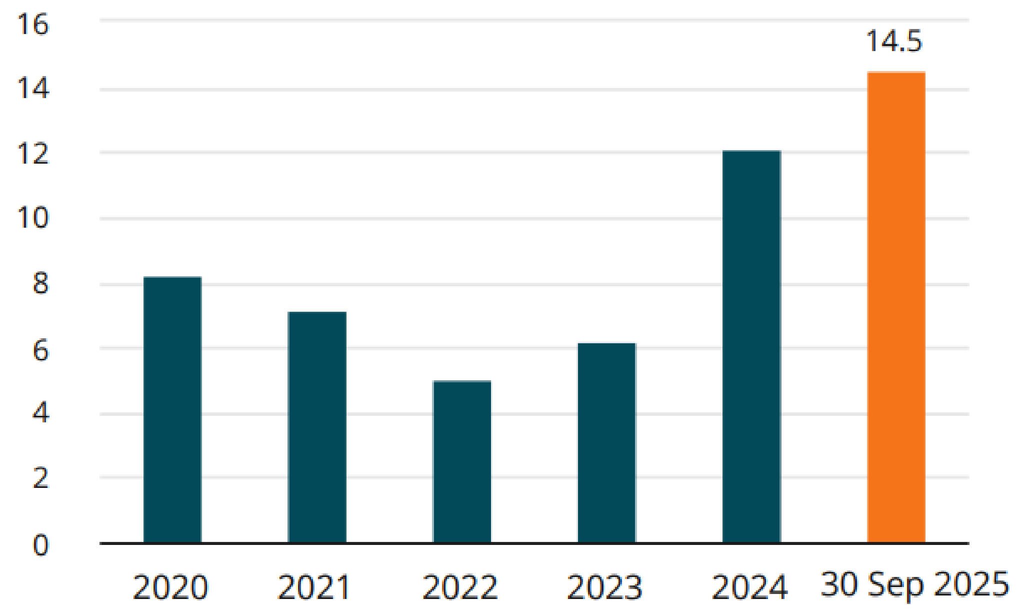
Broad financing base

Maturity profile of debt, EUR million



Secured solvency ratio

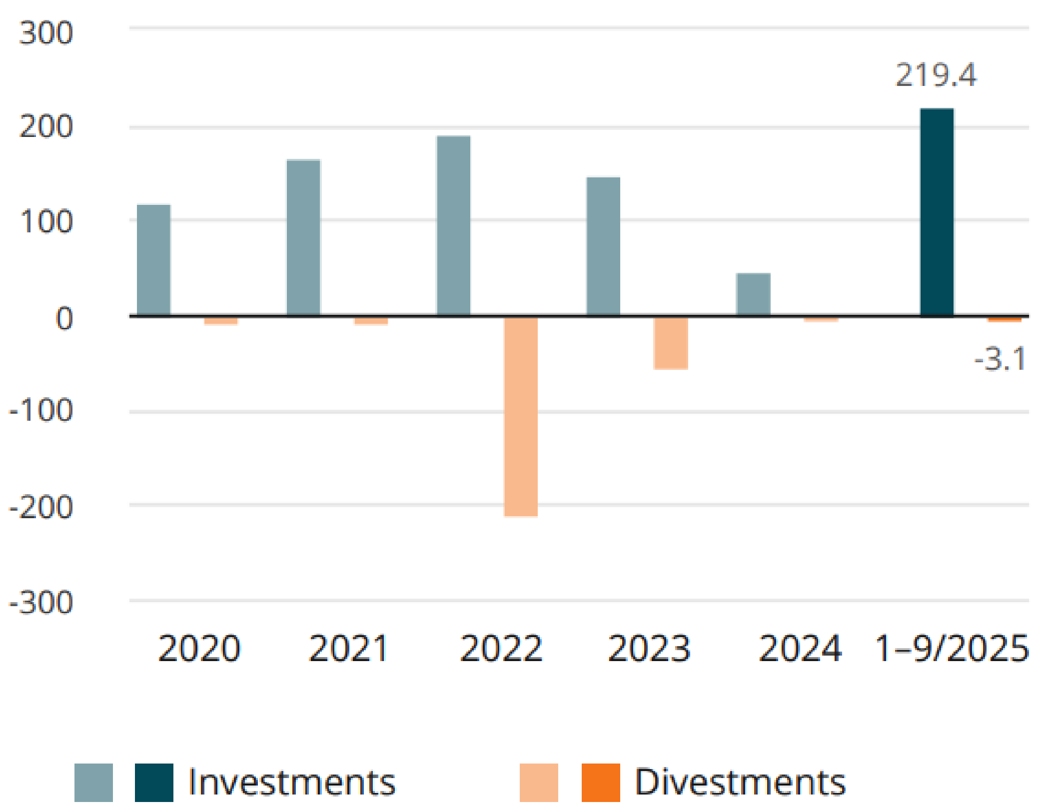
Secured solvency ratio, %



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

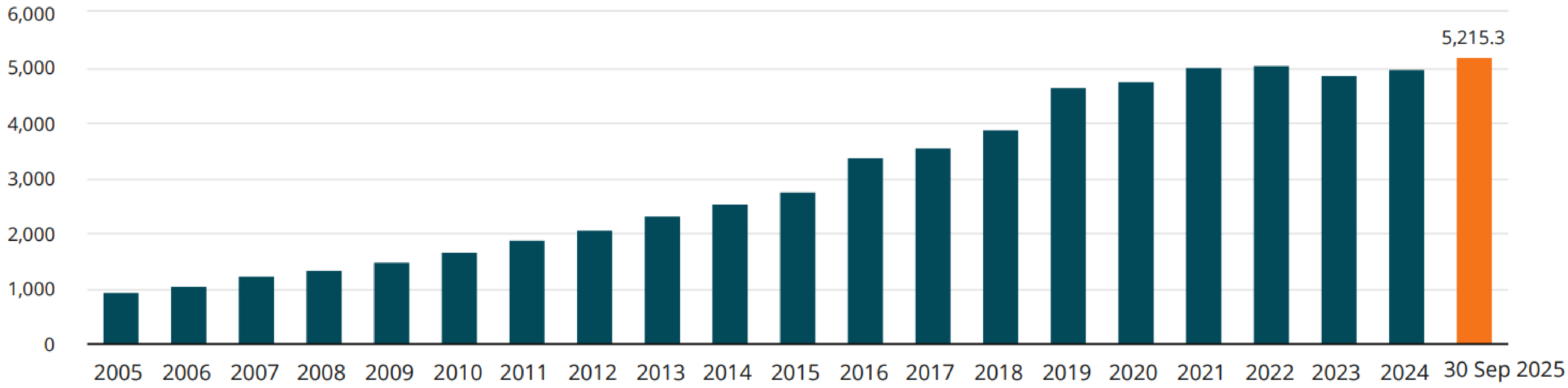
Development of housing assets

Housing investments and divestments, EUR million



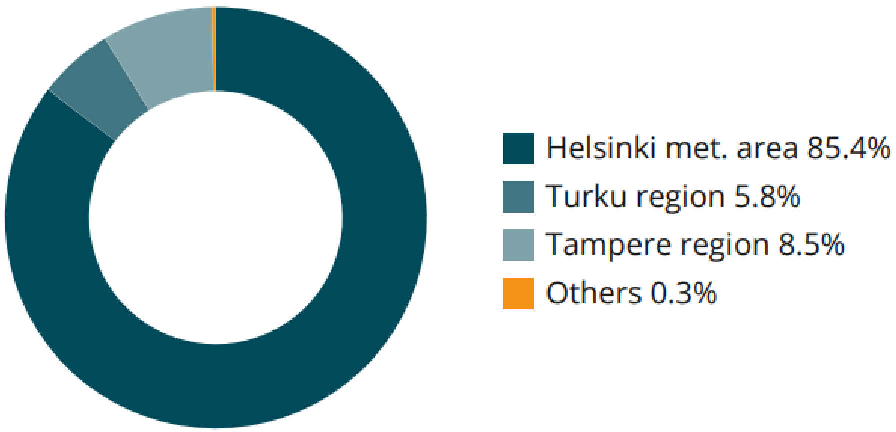
Development of housing assets

Trend in the investment property portfolio value, EUR million



Development of housing assets

Regional distribution of housing portfolio, 30 September 2025



Total housing portfolio EUR 5,045.3 million

Main 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.

Outlook

- The trade policy uncertainty has receded following the trade deal concluded between the United States and the EU.
- 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.
- Weak consumer demand of households will be gradually picked up by factors including increases in wages and salaries and moderate inflation.
- 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.
- The imbalance between supply and demand is unlikely to enable any large-scale commencement of newbuild rental housing construction next year, either.
- Going forward, 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.
- Rental housing is becoming increasingly popular across all age groups, with more than a million household-dwelling units renting.
- SATO will not publish guidance on its 2025 earnings.

SATO ranked number one in Europe in a sustainability management benchmark

SATO's sustainability management has been recognised as top-level in Europe in the Global Real Estate Sustainability Benchmark (GRESB) results published in October.

SATO achieved the maximum score in GRESB's Management section and ranked first among more than a thousand real estate companies assessed in Europe.

GRESB *(Global Real Estate Sustainability Benchmark) measures and evaluates sustainability in the real estate sector, covering various areas of responsibility. GRESB offers a unified and comparable reporting model, serving as a comprehensive tool for companies to manage and improve the sustainability of their property portfolios.*

GRESB

For further information

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