

Half-Year Report 1 Jan – 30 Jun 2026

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Kiinteistö Oy Tampereen Koelaitoksenkatu 22

Key figures

Key figure	1-6/2026	1-6/2025	1-12/2025
Net sales, EUR million	162.0	154.7	316.1
Number of rental apartments, pcs	27,314	25,847	26,786
Investment property, EUR million	5,357.0	5,004.0	5,237.4
Housing investments, EUR million	116.8	11.9	239.8
Average rent at the end of the review period, €/m ² /month	18.52	18.52	18.48
Cash earnings (CE), EUR million	35.1	31.8	91.8
Shareholders' equity, EUR million	2,699.9	2,634.8	2,685.2



SATO Corporation Half-Year Report I Jan – 30 Jun 2026: SATO's steady development continued

Summary for 1 Jan – 30 Jun 2026 (1 Jan – 30 Jun 2025)

- The economic occupancy rate was 95.3% (95.0).
- Net sales totalled EUR 162.0 million (154.7).
- Net rental income was EUR 107.0 million (104.3).
- Profit before taxes was EUR 44.9 million (45.2).
- The unrealised change in the fair value of investment properties included in the result was EUR 1.9 million (2.1).
- Housing investments amounted to EUR 116.8 million (11.9).
- Invested capital at the end of the review period was EUR 4,918.8 million (4,587.9).
- Return on invested capital was 3.6% (3.7).
- Equity was EUR 2,699.9 million (2,634.8) or EUR 31.80 per share (31.04).
- Earnings per share were EUR 0.42 (0.43).
- A total of 612 rental apartments (0) were acquired.

Summary for 1 Apr – 30 Jun 2026 (1 Apr – 30 Jun 2025)

- The economic occupancy rate was 95.3% (94.9).
- Net sales totalled EUR 81.9 million (77.5).
- Net rental income was EUR 60.8 million (57.5).
- Profit before taxes was EUR 27.8 million (26.9).
- The unrealised change in the fair value of investment properties included in the result was EUR 0.8 million (0.7).
- Housing investments amounted to EUR 11.3 million (8.0).
- Earnings per share were EUR 0.26 (0.25).
- The number of SATOhomes is nearly 27,500.

President and CEO Antti Aarnio

- The season started in March this spring, which is exceptionally early. This was reflected in a significant increase in apartment viewings in early spring. The summer season is expected to be busy.
- SATO's growth continued in the first half of the year. Completed at the end of March, the acquisition of 602 rental homes increased SATO's net sales from the beginning of April to a total of EUR 162.0 million.
- The economic occupancy rate of our housing portfolio improved year on year and remained at a reasonable level throughout H1. The rate was 95.3% (95.0) at the end of the period under review.
- SATO's average rent per square metre increased slightly during the first half of the year. Compared with the reference period, the average rent remained unchanged. The average rent per square metre was EUR 18.52 per m² per month (18.52).
- Net rental income increased, but its ratio to revenue declined, mainly due to higher heating costs incurred at the beginning of the year than in the comparison period. The oversupply in the rental housing market does not allow the costs to be transferred in full to apartment rents. Net rental income was EUR 107.0 million (104.3).
- The oversupply persists, but the number of empty apartments has taken a slow downturn in the Helsinki Metropolitan Area (HMA). In SATO's other market areas, Turku and Tampere, the number of empty apartments has continued to grow and the market situation is increasingly challenging for operators in the sector.
- The general uncertainty of the housing market continued due to Finland's weak economic situation, the wars in Iran and Ukraine and the unstable trade policy situation. The uncertainty is increasing the popularity of rental housing in all income categories.
- Smooth customer service in person and through digital channels has kept SATO's customer satisfaction in a good level. The average score given by the SATO encounters indicator, measuring our success in daily encounters, was 4.2/5 at the end of the period under review.

Operating environment

European and Finnish economic development is governed by geopolitics. The war in the Middle East and its repercussions are slowing down economic growth and accelerating inflation in the euro area. This has resulted in increases in market

rates since late February. In line with market expectations, the European Central Bank raised the deposit facility rate from June onwards.

Household savings in the euro area have remained elevated since the COVID-19 pandemic. Analysis by the Bank of Finland shows that savings have risen in the 2020s as a result of interest rates being higher than in the period of zero rates, because of a decline in real net wealth, and due to the existence of public deficit. General uncertainty has also led to an increase in savings.

Momentary signs of Finland's economic growth picking up were seen in the early months of the year, but the outlook has again worsened due to energy prices, geopolitical uncertainty and higher interest rates. Several forecasting institutions have lowered their forecasts of Finland's economic growth for this year, with the projected levels being in the 0.5–1% range. The unemployment rate has continued to deteriorate and remained above 10%, but the employment situation is expected to slowly improve as economic growth picks up.

Consumer confidence improved in June, but assessments concerning the current state of one's own finances and expectations concerning the Finnish economy in a year's time also remained weak. Views on unemployment continued to be pessimistic.

According to the Confederation of Finnish Construction Industries (CFCI), the number of housing starts will continue to decline this year and will also remain at a historically low level next year. The weakest situation is still seen in housing construction, with just 15,000 new starts projected. The number has already been below 20,000 homes for the past three years, while the long-term target is around 31,000–35,000 homes per year. The number of homes completed has plummeted to the 1950s level.

Led by the Ministry of Finance, the group on economic trends in construction estimates that the upturn seen again in interest rate projections in March will maintain caution among housing buyers and investors. For the time being, however, 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. According to the real estate market information provider KTI Finland, at the end of March, there still were 3,900 rental homes under construction in the HMA, and altogether 2,200 rental homes in Tampere and Turku. Cuts in state-

subsidised housing production will reduce the imbalance between demand and supply with regard to the current year's starts.

Strong urbanisation continues in Finland's growth centres, but the growth rate has slowed down year on year. The strongest growth is still seen in the HMA, which is projected to grow by more than 200,000 new residents by 2040. Half of the household-dwelling units in Helsinki are renting, while in the whole of Finland renters account for around 36% of the total.

Review period I Jan – 30 Jun 2026 (I Jan – 30 Jun 2025)

Net sales and profit

In January–June 2026, SATO Corporation's consolidated net sales totalled EUR 162.0 million (154.7). Operating profit was EUR 87.7 million (84.5). Operating profit without the change in the fair value of investment properties was EUR 85.9 million (82.4). The unrealised change in fair value through profit or loss was EUR 1.9 million (2.1).

Net financing expenses totalled EUR -42.8 million (-39.3). Profit before taxes was EUR 44.9 million (45.2). Cash flow from operations (free cash flow after taxes excluding changes in fair value) in January–June amounted to EUR 35.1 million (31.8). Earnings per share were EUR 0.42 (0.43).

Financial position and financing

The consolidated balance sheet total at the end of June was EUR 5,423.0 million (5,077.0). Equity totalled EUR 2,699.9 million (2,634.8). Equity per share was EUR 31.80 (31.04). The Group's equity ratio at the end of June was 49.8% (51.9).

EUR 200.0 million in new long-term financing was drawn and the solvency ratio at the end of June was 40.9% (38.4). The Group's annualised return on equity was 2.7% (2.8). Return on invested capital was 3.6% (3.7).

Interest-bearing liabilities at the end of June totalled EUR 2,218.9 million (1,953.1), of which loans on market terms amounted to EUR 2,130.2 million (1,854.1). The average loan interest rate was 3.5% (3.3). Net financing expenses totalled EUR -42.8 million (-39.3).

The calculated impact of changes in the market value of interest hedging on equity was EUR 0.0 million (-1.2). The proportion of loans without asset-based securities was 65.6% (69.4) of all loans. At the end of June, unencumbered assets accounted for 70.8% of total assets (73.1).

Rental housing

Our 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.

In January–June 2026, rental income was EUR 162.0 million (154.7). On average, the economic occupancy rate of apartments was 95.3% (95.0) and the external tenant turnover 28.4% (29.8). At the end of the reporting period, the average monthly rent of SATO rental homes was EUR 18.52 per m² (18.52). Net rental income from apartments totalled EUR 107.0 million (104.3).

Investment properties

On 30 June 2026, SATO owned a total of 27,314 homes (25,847). The reporting period saw the acquisition of 612 rental apartments (0). The number of divested rental apartments was 1 (2). No newbuilds were under construction.

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 June, the fair value of investment properties came to a total of EUR 5,357.0 million (5,004.0). The change in the value of investment properties, including investments and divestments during the reporting period, was EUR 119.6 million (32.6).

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

At the end of June, the commuting zone of the Helsinki Metropolitan Area accounted for around 84.6% and Tampere and Turku together made up around 14.9% 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 116.8 million (11.9). The Helsinki Metropolitan Area represented 48.7% of all investments during the period under review. New apartments accounted for 1.1%.

On 30 June 2026, there were binding purchase agreements to a total of EUR 0.3 million (1.3). During the reporting period, 1 rental home (2) was divested. Its value was EUR 0.0 million (0.3).

The book value of the plot reserve owned at the end of June totalled EUR 87.6 million (84.0). The value of new plots acquired by the end of June totalled EUR 0.1 million (22.7). Permitted building volume for around 1,100 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 (0) were completed for SATO. A total of 0 rental homes (0), were under construction on 30 June 2026. A total of EUR 12.6 million (11.4) was spent on repairing apartments and improving their quality.

Personnel

At the end of June, the Group had 360 employees (339), of whom 294 had a permanent employment contract (289). The average number of personnel in January–June was 331 (317).

Review period I Apr – 30 Jun 2026 (I Apr – 30 Jun 2025)

Net sales and profit

In April–June 2026, SATO Corporation's consolidated net sales totalled EUR 81.9 million (77.5). Operating profit was EUR 49.8 million (46.1). Operating profit without the change in the fair value of investment properties was EUR 49.0 million (45.4). The unrealised change in fair value through profit or loss was EUR 0.8 million (0.7).

Net financing expenses totalled EUR -22.0 million (-19.2). Profit before taxes was EUR 27.8 million (26.9). Cash flow from operations (free cash flow after taxes excluding changes in fair value) in April–June amounted to EUR 16.8 million (9.0). Earnings per share were EUR 0.26 (0.25).

Rental housing

Rental income was EUR 81.9 million (77.5). On average, the economic occupancy rate of apartments was 95.3% (94.9) and the external tenant turnover 29.4% (30.0). At the end of the reporting period, the average monthly rent of SATO rental homes was EUR 18.52 per m² (18.52). Net rental income from apartments totalled EUR 60.8 million (57.5).

Investment properties

On 30 June 2026, SATO owned a total of 27,314 homes (25,847). The reporting period saw the acquisition of 0 rental apartments (0). The number of divested rental apartments was 1 (1). No newbuilds were under construction.

Fair value

At the end of June, the fair value of investment properties came to a total of EUR 5,357.0 million (5,004.0). The change in the value of investment properties, including investments and divestments during the reporting period, was EUR 12.6 million (30.0). The value of properties funded with Arava loans or interest-subsidised loans would be EUR 225 million higher when valued with the income value method.

At the end of June, the commuting zone of the Helsinki Metropolitan Area accounted for around 84.6% and Tampere and Turku together made up around 14.9% of the value of apartments.

Investments, divestments and property development

Investments in apartments totalled EUR 11.3 million (8.0). The Helsinki Metropolitan Area represented 78.6% of all investments during the period under review. New apartments accounted for 0.0%.

On 30 June 2026, there were binding purchase agreements to a total of EUR 0.3 million (1.3). During the reporting period, 1 rental home (1) was divested. Its value was EUR 0.0 million (0.2).

The book value of the plot reserve owned at the end of June totalled EUR 87.6 million (84.0). The value of new plots acquired by the end of June totalled EUR 0.1 million (22.7). Permitted building volume for around 1,100 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 (0) were completed for SATO. A total of 0 rental homes (0), were under construction on 30 June 2026. A total of EUR 6.9 million (6.2) was spent on repairing apartments and improving their quality.

Personnel

At the end of June, the Group had 360 employees (339), of whom 294 had a permanent employment contract (289). The average number of personnel in April–June was 346 (327).

Events after the review period

No significant events after the review period.

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

The heightened security policy tensions resulting from the war in Ukraine, together with ongoing conflicts and instability in the Middle East, have increased geopolitical uncertainty, added volatility to energy markets, and may continue to disrupt global trade routes, supply chains and financial markets. The situation may weaken global macroeconomic conditions and could have a significant impact on SATO's operating 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

European and Finnish economic development is governed by geopolitics. The war in the Middle East and its repercussions are slowing down economic growth and accelerating inflation in the euro area. This has resulted in increases in market rates since late February. In line with market expectations, the European Central Bank raised the deposit facility rate from June onwards.

Household savings in the euro area have remained elevated since the COVID-19 pandemic. Analysis by the Bank of Finland shows that savings have risen in the 2020s as a result of interest rates being higher than in the period of zero rates, because of a decline in real net wealth, and due to the existence of public deficits. General uncertainty has also led to an increase in savings.

Signs of Finland's economic growth picking up were seen momentarily in the early months of the year, but the outlook has again worsened due to energy prices, geopolitical uncertainty and higher interest rates. Several forecasting institutions have lowered their forecasts of Finland's economic growth for this year, with the projected levels being in the 0.5–1% range. The unemployment rate has continued to deteriorate and remained above 10%, but the employment situation is expected to slowly improve as economic growth picks up.

Consumer confidence improved in June, but assessments concerning the current state of one's own finances and expectations concerning the Finnish economy in a year's time also remained weak. Views on unemployment continued to be pessimistic.

The Confederation of Finnish Construction Industries (CFCI) projects that the number of housing starts will continue to decline this year and will remain almost unchanged at a historically low level of around 15,000 homes both this year and next. The number has already been below 20,000 homes for the past three years, while the long-term target is around 31,000–35,000 homes per year. The number of homes completed has plummeted to the 1950s level.

The economic uncertainty and the shadow cast over the economy by the rapid trade and geopolitical changes are slowing down growth in demand and recovery in newbuild construction. The number of unsold new homes remains at a high 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. The demand is also boosted by urbanisation and immigration. It is of key importance 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, and economic uncertainty. In addition, the high interest rate level and general economic uncertainty reduce willingness for large investments related to owner-occupied housing. The convenience and flexibility of rental housing are emphasised among young adults in particular.

In line with its majority shareholder’s operating model, SATO Corporation will not publish guidance on its 2026 earnings. The parent company of Balder Finska Otas AB is Fastighets AB Balder, which is quoted on the Stockholm Stock Exchange.

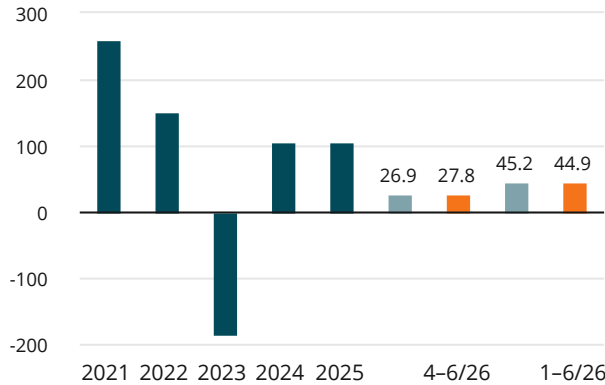
SATO Corporation’s shareholders

Largest shareholders and their holdings	No. of shares	%
Balder Finska Otas AB (Fastighets AB Balder)	49,634,341	58.4%
Stichting Depositary 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 (104 shareholders)	217,837	0.3%

On 30 June 2026, SATO had 85,062,444 shares and 114 shareholders registered in the book-entry system. The share turnover rate was 0.01% for the period 1 Jan – 30 Jun 2026.

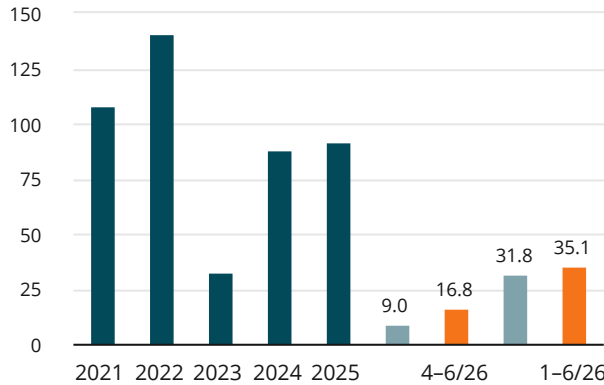
Financial trend

Profit before taxes, EUR million



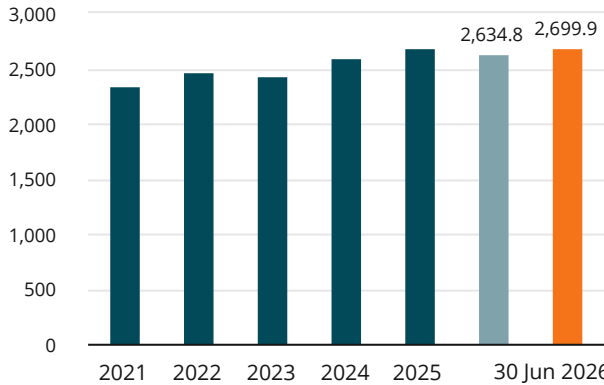
2025 comparison

Cash earnings (CE), EUR million



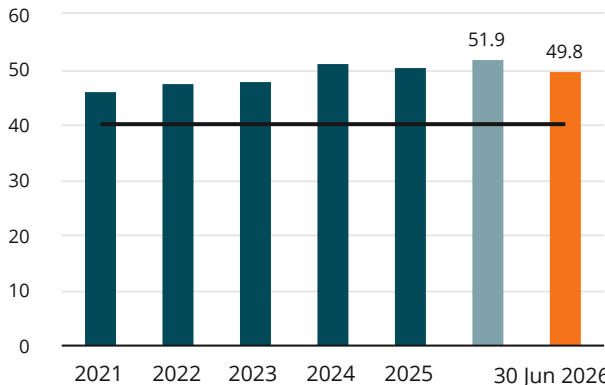
2025 comparison

Shareholders' equity, EUR million



2025 comparison

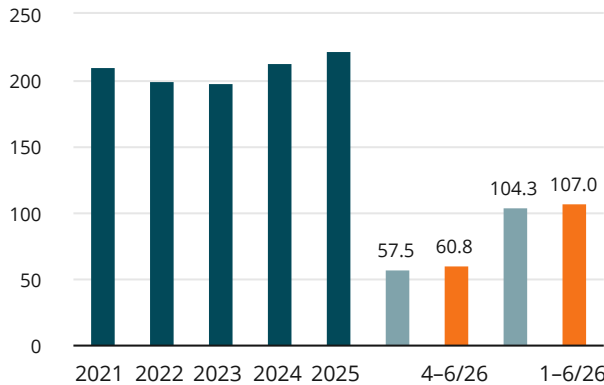
Equity ratio, %



Target > 40%

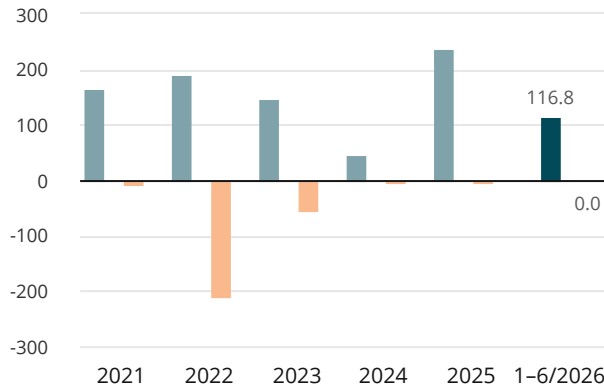
2025 comparison

Net rental income, EUR million



2025 comparison

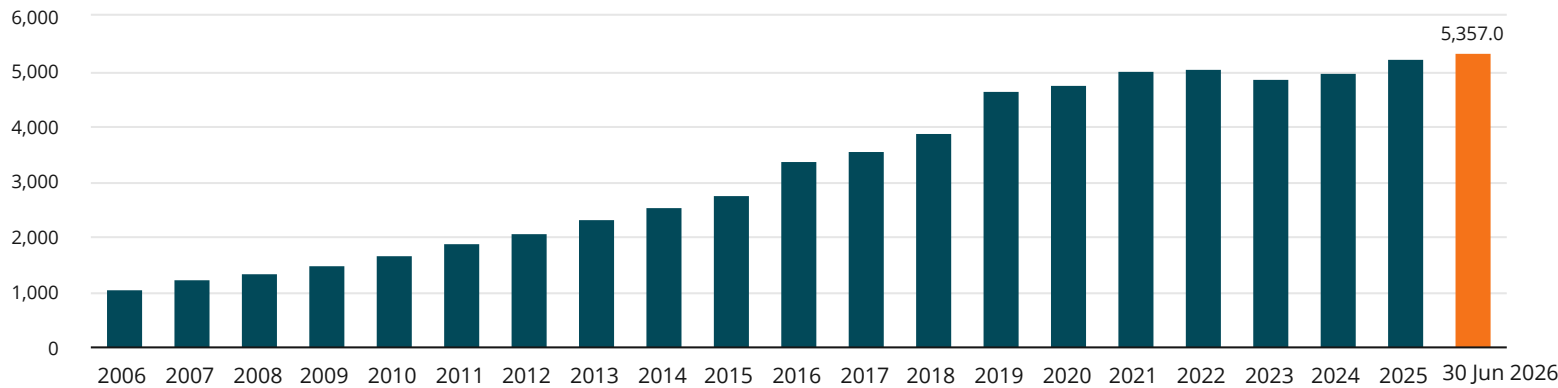
Housing investments and divestments, EUR million



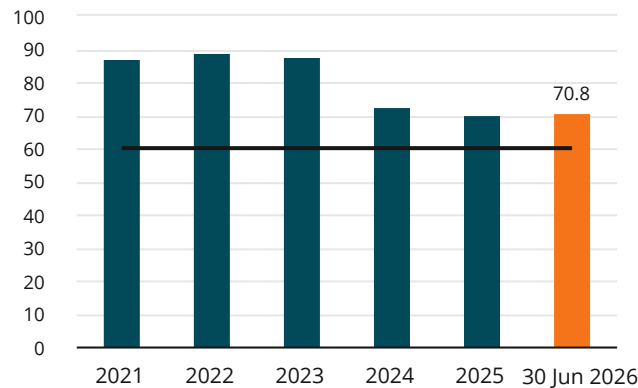
Investments Divestments



Trend in the investment property portfolio value, EUR million



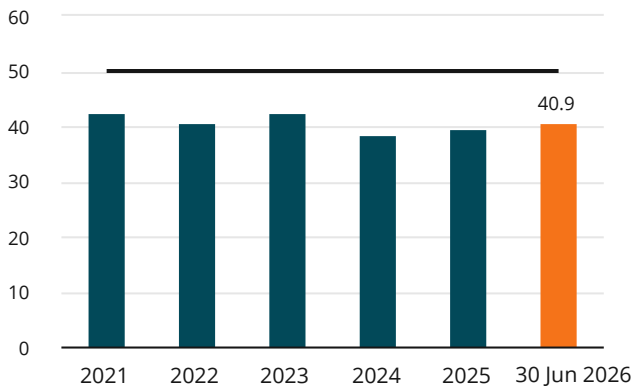
Unencumbered assets, %*



Target ≥ 60%

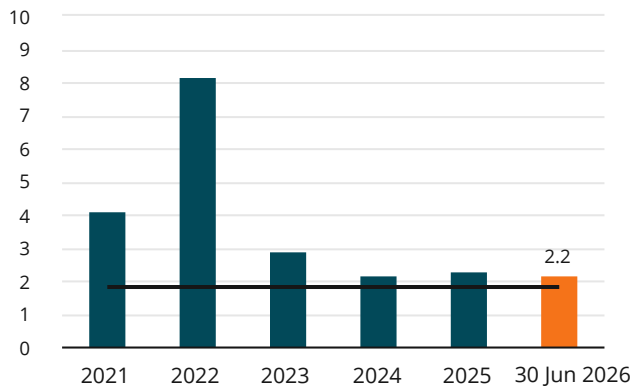
* Not including undrawn credit facilities.

Solvency ratio, %



Target < 50%

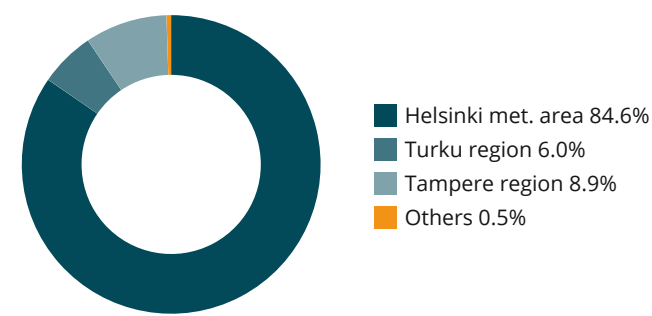
Interest coverage ratio (RI2)*



Target > 1.8x

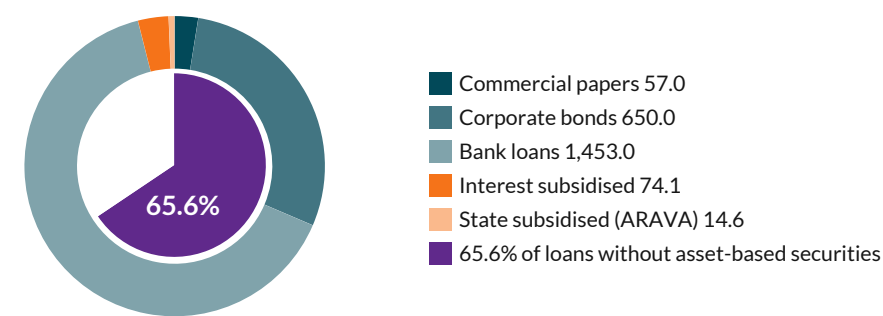
* The key figure is calculated based on a rolling 12 month period.

Regional distribution of the housing portfolio 30 Jun 2026, %

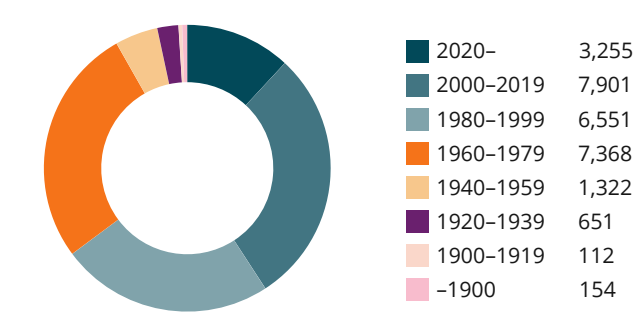


Total housing portfolio EUR 5,184.4 million

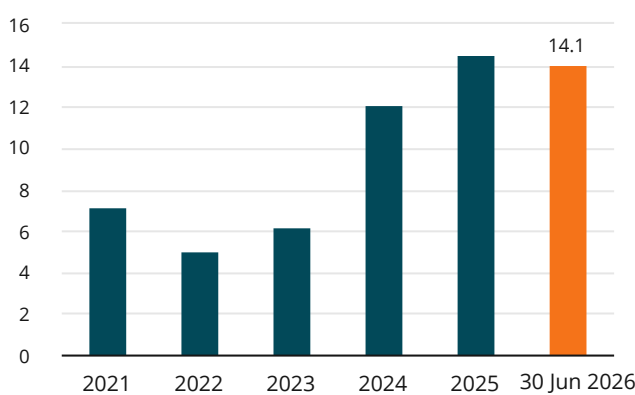
Debt portfolio, nominal values 30 Jun 2026,
total EUR 2,248.7 million



Age distribution of SATO's apartments 30 Jun 2026, pcs

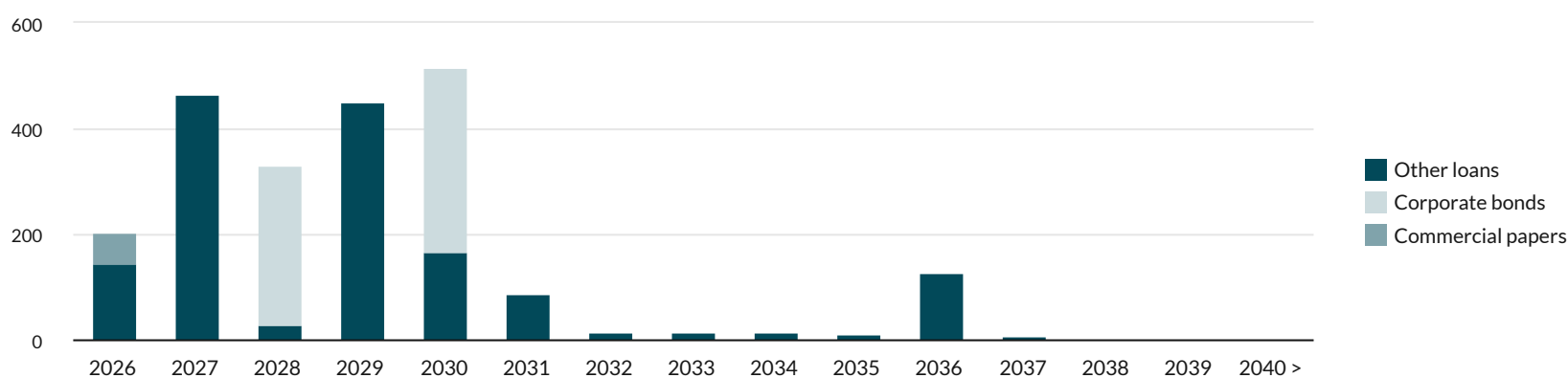


Secured solvency ratio, %*



* 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 Apr-30 Jun 2026	1 Apr-30 Jun 2025	1 Jan-30 Jun 2026	1 Jan-30 Jun 2025	1 Jan-31 Dec 2025
Net sales	81.9	77.5	162.0	154.7	316.1
Property maintenance expenses	-21.2	-20.0	-55.0	-50.3	-93.2
Net rental income	60.8	57.5	107.0	104.3	222.9
Fair value change of investment properties, realised	-0.2	-0.6	0.4	-0.1	0.2
Fair value change of investment properties, unrealised	0.8	0.7	1.9	2.1	8.9
Sales, marketing and administrative expenses	-10.8	-10.3	-20.0	-19.9	-40.2
Other operating income	0.1	0.0	0.4	0.0	0.7
Other operating expenses	-0.9	-1.2	-1.9	-1.9	-4.1
Share of profit of associated companies and joint ventures	0.0	0.0	0.0	0.0	0.0
Operating profit	49.8	46.1	87.7	84.5	188.4
Financial income	3.0	2.9	6.1	6.5	12.3
Financial expenses	-25.0	-22.1	-48.9	-45.8	-94.7
Net financing expenses	-22.0	-19.2	-42.8	-39.3	-82.4
Profit before tax	27.8	26.9	44.9	45.2	106.1
Income tax expenses	-5.6	-5.4	-9.0	-9.1	-21.1
Profit for the period	22.2	21.6	35.9	36.2	84.9
Profit for the period attributable to					
Equity holders of the parent	22.2	21.6	35.9	36.2	84.9
Non-controlling interests	0.0	0.0	0.0	0.0	0.0
Total	22.2	21.6	35.9	36.2	84.9
Earnings per share attributable to equity holders of the parent					
Basic, EUR	0.26	0.25	0.42	0.43	1.00
Diluted, EUR	0.26	0.25	0.42	0.43	1.00
Average number of shares, million pcs	84.9	84.9	84.9	84.9	84.9

Consolidated statement of comprehensive income, IFRS

EUR million	1 Apr–30 Jun 2026	1 Apr–30 Jun 2025	1 Jan–30 Jun 2026	1 Jan–30 Jun 2025	1 Jan–31 Dec 2025
Other comprehensive income					
Items that may be reclassified to income statement					
Cash flow hedges	-3.4	-2.3	0.0	-1.5	0.5
Related tax	0.7	0.5	0.0	0.3	-0.1
Items that may be reclassified to income statement total	-2.7	-1.9	0.0	-1.2	0.4
Other comprehensive income, net of tax	-2.7	-1.9	0.0	-1.2	0.4
Total comprehensive income	19.5	19.7	35.9	34.9	85.4
Comprehensive income attributable to					
Equity holders of the parent	19.5	19.7	35.9	34.9	85.4
Non-controlling interest	0.0	0.0	0.0	0.0	0.0
Total	19.5	19.7	35.9	34.9	85.4

Consolidated statement of financial position, IFRS

EUR million	30 Jun 2026	30 Jun 2025	31 Dec 2025
Assets			
Non-current assets			
Investment property	5,357.0	5,004.0	5,237.4
Tangible assets	1.4	2.1	1.7
Intangible assets	7.3	6.5	7.1
Investments in associated companies and joint ventures	0.1	0.1	0.1
Other non-current investments	0.6	1.0	0.6
Other right-of-use assets	8.7	3.4	8.3
Derivative receivables	14.6	13.6	15.1
Non-current receivables	0.0	2.6	0.0
Deferred tax assets	6.7	7.1	6.7
Total	5,396.3	5,040.5	5,276.8
Current assets			
Accounts and other receivables	19.3	26.4	15.2
Current tax assets	3.8	4.6	1.2
Cash and cash equivalents	3.7	5.5	15.4
Total	26.8	36.5	31.9
Total assets	5,423.0	5,077.0	5,308.7
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	12.3	10.7	12.3
Reserve fund	43.7	43.7	43.7
Reserve for invested non-restricted equity	314.8	314.8	314.8
Retained earnings	2,324.8	2,261.3	2,310.1
Total	2,700.1	2,634.9	2,685.3
Non-controlling interests	-0.2	-0.2	-0.2
Total shareholders' equity	2,699.9	2,634.8	2,685.2

EUR million	30 Jun 2026	30 Jun 2025	31 Dec 2025
Liabilities			
Non-current liabilities			
Deferred tax liabilities	376.3	371.6	373.1
Provisions	1.2	1.4	1.3
Lease liabilities	59.9	53.9	60.9
Derivative liabilities	0.0	0.8	0.1
Long-term interest-bearing liabilities	1,937.8	1,440.7	1,906.2
Total	2,375.1	1,868.4	2,341.5
Current liabilities			
Accounts payable and other liabilities	60.4	55.1	60.4
Provisions	0.3	0.6	0.5
Lease liabilities	6.3	5.7	6.1
Current tax liabilities	0.0	0.0	0.0
Short-term interest-bearing liabilities	281.1	512.5	215.1
Total	348.1	573.8	282.0
Total liabilities	2,723.2	2,442.2	2,623.6
Total shareholders' equity and liabilities	5,423.0	5,077.0	5,308.7

Consolidated statement of cash flows, IFRS

EUR million	1 Apr-30 Jun 2026	1 Apr-30 Jun 2025	1 Jan-30 Jun 2026	1 Jan-30 Jun 2025	1 Jan-31 Dec 2025
Cash flow from operating activities					
Profit for the period	22.2	22.1	35.9	36.2	84.9
Adjustments:					
Non-cash items included in the profit	0.3	0.5	0.0	0.2	-4.5
Gains and losses on sales of investment properties and fixed assets	0.1	0.5	-0.6	0.0	-0.5
Other adjustments	-0.1	0.2	0.0	0.1	-0.1
Interest expenses and other financial expenses	25.0	21.4	48.9	45.8	94.7
Interest income	-3.0	-2.9	-6.1	-6.5	-12.3
Dividend income	0.0	0.0	0.0	0.0	0.0
Income taxes	5.6	5.5	9.0	9.1	21.1
Cash flow before change in net working capital	50.1	47.3	87.1	84.8	183.3
Change in net working capital:					
Changes in accounts receivable and other receivables	-2.3	-4.9	-3.9	-11.3	3.3
Change in accounts payable and other liabilities	2.6	4.6	9.8	11.5	5.2
Interest and other financial expenses paid	-29.9	-34.4	-54.3	-52.5	-85.6
Interest received	2.7	3.8	5.9	7.1	11.9
Taxes paid	-4.3	-5.2	-8.4	-11.4	-18.5
Net cash flow from operating activities	19.1	11.3	36.2	28.2	99.7
Cash flow from investing activities					
Investments in investment properties	-11.8	-31.7	-117.9	-36.1	-264.5
Net investment in tangible and intangible assets	-0.6	-0.5	-1.1	-0.7	-2.1
Cash receipts from loans receivable and debt securities	-	-	-	-	0.0
Disposals of investment property	0.0	3.2	0.7	6.9	10.9
Net cash flow from investing activities	-12.3	-29.0	-118.3	-29.9	-255.7

EUR million	1 Apr-30 Jun 2026	1 Apr-30 Jun 2025	1 Jan-30 Jun 2026	1 Jan-30 Jun 2025	1 Jan-31 Dec 2025
Cash flow from financing activities					
Repayments (-) / withdrawals (+) of current loans	-4.4	32.0	66.4	100.9	-3.0
Withdrawals of non-current loans	0.0	-	197.2	150.0	695.2
Repayments of non-current loans	-2.5	-155.0	-170.1	-273.1	-549.6
Repayments of lease liabilities	-1.4	-1.3	-1.9	-1.8	-2.4
Repayment of capital and dividends paid	-21.2	-	-21.2	-	-
Net cash flow from financing activities	-29.4	-124.3	70.4	-24.1	140.1
Change in cash and cash equivalents	-22.7	-142.0	-11.7	-25.8	-15.9
Cash and cash equivalents at the beginning of the period	26.4	147.5	15.4	31.3	31.3
Cash and cash equivalents at the end of the period	3.7	5.5	3.7	5.5	15.4

Consolidated statement of changes in shareholders' equity, IFRS

EUR million	Attributable to owners of the parent					Total	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 2026	4.4	12.3	43.7	314.8	2,310.1	2,685.3	-0.2	2,685.2
Comprehensive income:								
Cash flow hedges, net of tax	-	0.0	-	-	-	0.0	-	0.0
Profit for the period	-	-	-	-	35.9	35.9	0.0	35.9
Total comprehensive income	-	0.0	-	-	35.9	35.9	0.0	35.9
Transactions with shareholders:								
Dividend	-	-	-	-	-21.2	-21.2	-	-21.2
Transactions with shareholders, total	-	-	-	-	-21.2	-21.2	-	-21.2
Other adjustments	-	-	-	-	-	-	-	-
Total of equity movements	-	0.0	-	-	14.7	14.7	0.0	14.7
Shareholders' equity 30 Jun 2026	4.4	12.3	43.7	314.8	2,324.8	2,700.1	-0.2	2,699.9

EUR million	Attributable to owners of the parent					Total	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	2,600.0	-0.2	2,599.8
Comprehensive income:								
Cash flow hedges, net of tax	-	-1.2	-	-	-	-1.2	-	-1.2
Profit for the period	-	-	-	-	36.2	36.2	0.0	36.2
Total comprehensive income	-	-1.2	-	-	36.2	34.9	0.0	34.9
Transactions with shareholders:								
Dividend	-	-	-	-	-	-	-	-
Transactions with shareholders, total	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-
Total of equity movements	-	-1.2	-	-	36.2	34.9	0.0	34.9
Shareholders' equity 30 Jun 2025	4.4	10.7	43.7	314.8	2,261.3	2,634.9	-0.2	2,634.8

Notes to the half-year 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 84.6% 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 half-year report has been prepared in accordance with IAS 34 Interim Financial Reporting standard. Figures presented in this half-year 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 half-year 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 half-year report are unaudited.

The half-year report has been prepared according to the same accounting principles as the consolidated financial statements for the year ended 31 December 2025 with the exception of new and amended standards applied to the annual periods beginning on 1 January 2026. New IFRS standards, amendments to standards and IFRIC interpretations which have entered into force at the beginning of the year 2026 has not had any significant impact on the Group.

IFRS 18 Presentation and Disclosure in Financial Statements standard is effective for reporting periods beginning on or after 1 January 2027. IFRS 18 replaces current IAS 1 Presentation of Financial Statements. SATO is assessing the impact of IFRS 18 but as IFRS 18 is not changing the recognition and measurement requirements it is not expected to have significant impact other than on the presentation of financial information. SATO intends to adopt IFRS 18 and other new and amended standards and interpretations, if applicable, when they become effective.

3. Result on disposal of investment properties

EUR million	4-6/2026	4-6/2025	1-6/2026	1-6/2025	1-12/2025
Sale of residential investment properties					
Proceeds from disposal of residential investment properties	0.0	0.2	0.0	0.3	3.3
Carrying value of investment properties sold	0.0	-0.2	0.0	-0.3	-3.2
Total	0.0	0.0	0.0	0.0	0.1
Sale of land plots					
Proceeds from disposal of land plots	0.0	2.5	0.7	6.2	6.8
Carrying value of land plots sold	-0.2	-3.0	-0.3	-6.2	-6.7
Total	-0.2	-0.6	0.4	0.0	0.2
Total	-0.2	-0.6	0.4	-0.1	0.2

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	4-6/2026	4-6/2025	1-6/2026	1-6/2025	1-12/2025
Other operating income					
Sales income, new production	-	-	-	-	0.9
New production expenses	0.0	-0.1	0.2	-0.2	-1.1
Other income	0.1	0.1	0.2	0.1	0.9
Total	0.1	0.0	0.4	0.0	0.7

5. Financial income and expenses

EUR million	4-6/2026	4-6/2025	1-6/2026	1-6/2025	1-12/2025
Financial income					
Interest income on loans	0.2	0.2	0.6	0.6	1.3
Interest income on derivatives	2.8	2.6	5.6	5.9	11.0
Dividend income from other non-current investments	0.0	0.0	0.0	0.0	0.0
Foreign exchange gains	0.0	0.0	0.0	0.0	0.0
Fair value gains, financial instruments	-	-	0.0	-	-
Total	3.0	2.9	6.1	6.5	12.3

EUR million	4-6/2026	4-6/2025	1-6/2026	1-6/2025	1-12/2025
Financial expenses					
Interest expense on financial liabilities measured at amortised cost	-20.0	-17.9	-38.6	-37.6	-76.5
Interest expense on derivatives	-2.2	-1.5	-4.3	-2.9	-6.7
Interest expense on lease liabilities*	-1.0	-0.9	-2.0	-1.8	-3.6
Foreign exchange losses	0.0	0.0	0.0	0.0	0.0
Fair value losses, financial instruments	0.0	0.0	-0.3	-0.2	-0.5
Other financial expenses	-1.9	-1.8	-3.7	-3.3	-7.4
Total	-25.0	-22.1	-48.9	-45.8	-94.7
Financial income and expenses, net	-22.0	-19.2	-42.8	-39.3	-82.4

* 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	1-6/2026	1-6/2025	1-12/2025
Fair value of investment properties at the start of the period	5,237.4	4,971.4	4,971.4
Acquisitions of properties	100.5	23.3	220.0
New construction and other investments in properties	17.3	12.8	44.9
Disposals of investment properties	0.0	-7.0	-11.3
Capitalised borrowing costs	-	-	0.0
Reclassified from other items	0.1	1.4	1.2
Gains and losses in profit and loss from changes in fair value	1.9	2.1	8.9
Remeasurement of right-of-use investment properties, no P/L effect	-0.2	0.0	2.3
Fair value of investment properties at the end of the period	5,357.0	5,004.0	5,237.4

Significant acquisitions and disposals during the period

On 31 March 2026, SATO signed a purchase agreement with the OP Vuokrakoti Ky for 602 rental homes. The acquisition includes 8 apartment buildings located in the Helsinki Metropolitan Area, Järvenpää, Tampere, Turku, Lahti and Kuopio.

SATO did not make significant divestments of 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 84.6% 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 Jun 2026	30 Jun 2025	31 Dec 2025
Investment property classified by valuation method			
Income value method	5,034.8	4,656.0	4,918.2
Acquisition cost	264.8	291.8	261.1
Owned investment property, total	5,299.6	4,947.8	5,179.4
Right-of-use investment properties	57.3	56.2	58.0
Investment property, total	5,357.0	5,004.0	5,237.4

Sensitivity analysis of investment properties

Sensitivity analysis of investment properties has been presented in the 2025 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	1-6/2026	1-6/2025	1-12/2025
Carrying value, beginning of the period	1.7	2.6	2.6
Additions	0.1	0.0	0.1
Disposals	-0.6	-0.1	-1.4
Accumulated depreciation of disposals	0.6	0.1	1.3
Transfers between items	0.0	0.0	0.0
Depreciation and impairments	-0.3	-0.5	-1.0
Carrying value, end of the period	1.4	2.1	1.7

8. Intangible assets

EUR million	1-6/2026	1-6/2025	1-12/2025
Carrying value, beginning of the period	7.1	6.7	6.7
Additions	1.2	0.8	2.4
Disposals	-	-	-1.0
Accumulated depreciation of disposals	-	-	1.0
Transfers between items	-	-	-
Depreciation and impairments	-1.0	-1.0	-2.1
Carrying value, end of the period	7.3	6.5	7.1

9. Leases

Right-of-use assets

EUR million	1-6/2026	1-6/2025	1-12/2025
Right-of-use investment properties			
Carrying value, beginning of the period	58.0	56.7	56.7
Remeasurement of lease agreements	-0.2	0.0	2.3
Changes of fair value in profit and loss	-0.5	-0.5	-1.0
Carrying value, end of the period	57.3	56.2	58.0
Other right-of-use assets, office premises			
Carrying value, beginning of the period	5.6	3.2	3.2
Remeasurement of lease agreements	-	-	3.6
Depreciation for the period	-0.4	-0.6	-1.2
Carrying value, end of the period	5.2	2.6	5.6
Other right-of-use assets, cars			
Carrying value, beginning of the period	2.7	0.9	0.9
Additions	1.3	-	2.2
Disposals	0.0	-	0.0
Remeasurement of lease agreements	0.0	0.0	0.0
Depreciation for the period	-0.4	-0.1	-0.3
Carrying value, end of the period	3.5	0.8	2.7
Total carrying value, beginning of the period	66.3	60.8	60.8
Total carrying value, end of the period	66.0	59.6	66.3

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 Jun 2026	30 Jun 2025	31 Dec 2025
Non-current			
From land lease agreements	52.7	51.6	54.0
From other lease agreements, office premises	4.6	1.7	4.9
From other lease agreements, cars	2.6	0.6	2.0
Total	59.9	53.9	60.9
Current			
From land lease agreements	4.3	4.2	4.4
From other lease agreements, office premises	1.0	1.2	1.0
From other lease agreements, cars	1.0	0.2	0.7
Total	6.3	5.7	6.1
Total lease liabilities	66.1	59.6	67.0

10. Shareholders' equity

The total number of SATO's shares as of 30 June 2026 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	1-6/2026	1-6/2025	1-12/2025
The following dividend was declared by the company			
Dividend 0.25 (0.00) per share, EUR	-21.2	0.0	0.0
Total	-21.2	0.0	0.0

The Annual General Meeting of SATO Corporation resolved on 19 March 2026 that EUR 0.25 per share, EUR 21.2 million in total, be paid out in dividends for the financial period ended 31 December 2025. The dividend was paid on 1 April 2026.

II. Financial liabilities

EUR million	30 Jun 2026	30 Jun 2025	31 Dec 2025
Financial liabilities			
Commercial papers	56.5	124.8	20.9
Corporate bonds	627.4	574.4	577.1
Bank loans	1,446.3	1,154.9	1,429.4
Interest-subsidised loans	74.1	80.3	77.2
State-subsidised ARAVA loans	14.6	18.7	16.6
Total	2,218.9	1,953.1	2,121.2

On the reporting date, the average interest of SATO's debt portfolio was 3.5% (3.3) and the average maturity was 3.1 years (3.3). The fixed rate portion of the loan portfolio after hedging was 64.2% (65.1) excluding loans withdrawn as short-term loans.

For purposes of short-term financing, SATO has a commercial paper program of EUR 400.0 million (400.0) of which EUR 343.0 million (274.0) were unused, committed credit limits of EUR 600.0 million (600.0), of which EUR 585.0 million (600.0) were unused, and an uncommitted overdraft of EUR 20.0 million (5.0), of which EUR 4.2 million (5.0) were unused.

SATO's funding agreements contain covenant clauses relating to the Group's capital structure and interest payment capacity. These clauses set a ratio of unencumbered assets to total assets at least 42.5%, a solvency ratio maximum of 65.0%, a secured solvency ratio maximum of 45.0%, an interest coverage ratio of at least 1.8 on a rolling 12 month basis and unencumbered assets to unsecured debt at least 150.0%. At the reporting date, the ratio of unencumbered assets was 70.8% (73.1), the solvency ratio was 40.9 % (38.4), the secured solvency ratio was 14.1% (11.8), the interest coverage ratio was 2.2 (2.2) and the ratio of unencumbered assets to unsecured debt was 259.7% (268.4).

12. Derivatives

EUR million	Positive	30 Jun 2026 Negative	Net	30 Jun 2025 Net	31 Dec 2025 Net
Fair values of derivative instruments					
Interest rate swaps, cash flow hedge	14.9	0.0	14.9	12.8	14.9
Interest rate swaps, not in hedge accounting	-	-	-	0.6	0.3
Total	14.9	0.0	14.9	13.4	15.2

EUR million	30 Jun 2026	30 Jun 2025	31 Dec 2025
Nominal values of derivative instruments			
Interest rate swaps, cash flow hedge	508.0	373.0	488.0
Interest rate swaps, not in hedge accounting	-	50.0	50.0
Total	508.0	423.0	538.0

Change in fair value of designated interest rate hedges, booked to fair value reserve, totalled EUR 0.0 million (-1.2). 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 Jun 2026			30 Jun 2025		
	Level 1:	Level 2:	Level 3:	Level 1:	Level 2:	Level 3:
Assets						
Other non-current investments	-	0.6	-	-	1.0	-
Derivative assets	-	14.9	-	-	14.2	-
Accounts receivable and other non-interest-bearing receivables	-	6.0	-	-	9.2	-
Cash and cash equivalents	-	3.7	-	-	5.5	-
Liabilities						
Corporate bonds	623.9	-	-	579.5	-	-
Other loans	-	1,599.4	-	-	1,385.8	-
Derivative liabilities	-	0.0	-	-	0.8	-
Accounts payable and other non-interest-bearing payables	-	17.1	-	-	22.3	-

EUR million	31 Dec 2025		
	Level 1:	Level 2:	Level 3:
Assets			
Other non-current investments	-	0.6	-
Derivative assets	-	15.5	-
Accounts receivable and other non-interest-bearing receivables	-	6.4	-
Cash and cash equivalents	-	15.4	-
Liabilities			
Corporate bonds	575.9	-	-
Other loans	-	1,551.3	-
Derivative liabilities	-	0.3	-
Accounts payable and other non-interest-bearing payables	-	7.0	-

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	2026	2025
Provision for refund claims, 1 Jan	1.8	1.9
Increases	-	0.1
Provisions used	0.0	0.0
Reversals	-0.3	-
Provision for refund claims, 30 Jun	1.5	2.0

EUR million	30 Jun 2026	30 Jun 2025	31 Dec 2025
Non-current provisions	1.2	1.4	1.3
Current provisions	0.3	0.6	0.5
Total	1.5	2.0	1.8

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 June 2026.

I5. Notes to the cash flow statement

EUR million	4-6/2026	4-6/2025	1-6/2026	1-6/2025	1-12/2025
Non-cash items included in the profit					
Depreciation and amortisation	1.1	1.1	2.2	2.3	4.5
Gains and losses from changes in fair value of investment properties	-0.8	-0.7	-1.9	-2.1	-8.9
Change in provisions	0.0	0.1	-0.3	0.1	-0.1
Share of profit of associated companies and joint ventures	0.0	0.0	0.0	0.0	0.0
Total	0.3	0.5	0.0	0.2	-4.5

EUR million	4-6/2026	4-6/2025	1-6/2026	1-6/2025	1-12/2025
Changes in interest-bearing debt during the period					
Interest-bearing debt, beginning of the period	2,223.5	2,072.6	2,121.2	1,970.1	1,970.1
Cash changes in interest-bearing debt during the period, total	-6.8	-123.0	93.5	-22.2	142.6
Non-cash changes:					
Interest accrued by the effective interest rate method	2.1	1.8	4.1	3.6	7.4
Transfers of debt to buyers upon disposals of investment property and other adjustments	0.2	1.8	0.2	1.7	1.1
Interest-bearing debt, end of the period	2,218.9	1,953.1	2,218.9	1,953.1	2,121.2

I6. Collateral, commitments and contingencies

EUR million	30 Jun 2026	30 Jun 2025	31 Dec 2025
Mortgages and pledges for secured borrowings			
Secured borrowings	762.9	596.8	769.2
Pledges and mortgages provided, fair value	1,582.2	1,365.1	1,569.7
Guarantees for others			
Rs-guarantees	1.1	1.9	1.6
Other collateral provided			
Mortgages provided to secure payment of rent and street maintenance	8.6	7.2	8.6
Guarantees and mortgages provided to secure payments of land use contracts	3.6	1.3	4.6
Binding purchase agreements			
For acquisitions of investment properties	0.3	1.3	0.3
Pledges for land use payments on zoned plots	0.8	1.2	0.8
Letters of intent on properties under development for which there is a zoning or other condition	19.0	17.9	17.9

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 2026 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 agreed about an unsecured revolving credit facility with Fastighets AB Balder in the amount of EUR 350.0 million, with the maturity at 31 March 2028. 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	1-6/2026	1-6/2025	1-12/2025
Extended Management Group employee benefits			
Salaries and other short-term employee benefits	0.9	1.1	1.8
Total	0.9	1.1	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

No significant events after the end of the reporting period.

Key indicators, Group

Key financial indicators	1-6/2026	1-6/2025	2025	2024	2023	2022	2021
Net sales, EUR million	162.0	154.7	316.1	304.1	288.4	291.2	298.3
Net rental income, EUR million	107.0	104.3	222.9	214.4	198.7	200.4	210.6
Operating profit, EUR million	87.7	84.5	188.4	185.6	-113.6	198.9	304.5
Net financing expenses, EUR million	-42.8	-39.3	-82.4	-80.1	-72.2	-47.0	-45.1
Profit before taxes, EUR million	44.9	45.2	106.1	105.4	-185.8	151.9	259.4
Balance sheet total, EUR million	5,423.0	5,077.0	5,308.7	5,059.6	5,085.0	5,184.7	5,091.4
Shareholders' equity, EUR million	2,699.9	2,634.8	2,685.2	2,599.8	2,435.0	2,480.9	2,351.3
Interest-bearing liabilities, EUR million	2,218.9	1,953.1	2,121.2	1,970.1	2,159.2	2,145.7	2,169.5
Return on invested capital (ROIC), %	3.6%	3.7%	4.0%	4.0%	-2.5%	4.3%	6.7%
Return on equity (ROE), %	2.7%	2.8%	3.2%	3.3%	-6.3%	5.0%	9.1%
Equity ratio, %	49.8%	51.9%	50.6%	51.4%	47.9%	47.8%	46.2%
Solvency ratio, %	40.9%	38.4%	39.8%	38.6%	42.4%	40.7%	42.5%
Interest cover ratio (R12)****	2.2	2.2	2.3	2.2	2.9	8.2	4.1
Unencumbered assets ratio, %	70.8%	73.1%	70.4%	73.0%	87.7%	89.2%	87.5%
Secured solvency ratio, %***	14.1%	11.8%	14.5%	12.1%	6.2%	5.0%	7.2%
Personnel, average*	331	317	319	315	333	328	276
Personnel at the end of the period	360	339	314	300	323	325	313
Key indicators per share							
Earnings per share, EUR	0.42	0.43	1.00	1.04	-2.72	2.13	3.64
Equity per share, EUR**	31.80	31.04	31.63	30.63	43.01	43.82	41.53
Number of shares outstanding, million pcs	84.9	84.9	84.9	84.9	56.6	56.6	56.6
Operational key figures and net asset value							
Operational earnings, EUR million	34.3	34.8	78.2	74.4	58.7	88.5	101.6
Operational earnings per share, EUR	0.40	0.41	0.92	0.92	1.04	1.56	1.79
Net asset value, EUR million	3,057.8	2,988.7	3,039.6	2,949.8	2,767.5	2,849.4	2,779.3
Net asset value per share, EUR	36.02	35.20	35.80	34.75	48.88	50.33	49.09
Cash earnings (CE), EUR million	35.1	31.8	91.8	88.2	32.9	141.3	107.9
Cash earnings per share (CEPS), EUR	0.41	0.37	1.08	1.09	0.58	2.50	1.91

Quarterly key financial indicators	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025
Net sales, EUR million	81.9	80.1	80.6	80.9	77.5	77.2
Net rental income, EUR million	60.8	46.2	56.7	61.9	57.5	46.8
Operating profit, EUR million	49.8	37.9	47.4	56.5	46.1	38.4
Profit and losses from changes of fair value, EUR million	0.8	1.0	1.6	5.2	0.7	1.4
Net financing expenses, EUR million	-22.0	-20.8	-21.7	-21.4	-19.2	-20.1
Profit before taxes, EUR million	27.8	17.1	25.7	35.1	26.9	18.3
Earnings per share, EUR	0.26	0.16	0.24	0.33	0.25	0.17
Average number of shares outstanding, million pcs	84.9	84.9	84.9	84.9	84.9	84.9
Housing investments, EUR million	11.3	105.5	20.4	207.5	8.0	3.9
as percentage of net sales	13.8%	131.7%	25.3%	256.6%	10.3%	5.1%
Operational key figures						
Operational earnings, EUR million	21.8	12.5	19.4	24.0	21.6	13.3
Operational earnings per share, EUR	0.26	0.15	0.23	0.28	0.25	0.16
Cash earnings (CE), EUR million	16.8	18.4	27.5	32.5	9.0	22.8
Cash earnings per share (CEPS), EUR	0.20	0.22	0.32	0.38	0.11	0.27

* 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.

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

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		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
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, % =	$\frac{\text{Shareholders' equity}}{\text{Balance sheet total}} \times 100$		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)
Solvency ratio, % =	$\frac{\text{Interest-bearing liabilities} - \text{Cash and Cash Equivalents}}{\text{Balance sheet total} - \text{Cash and Cash Equivalents}} \times 100$		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
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 =	$\frac{\text{Shareholders' equity attributable to owners of the parent}}{\text{Number of shares, Basic, at the end of the reporting period}}$			



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