

## OBOS Eiendom AS

Full Rating Report

## LONG-TERM RATING

BBB-

## OUTLOOK

Stable

## SHORT-TERM RATING

N3

## PRIMARY ANALYST

Anine Gulbrandsen  
+4797501657  
anine.gulbrandsen@nordiccreditrating.com

## SECONDARY CONTACTS

Yun Zhou  
+46732324378  
yun.zhou@nordiccreditrating.comGeir Kristiansen  
+4790784593  
geir.kristiansen@nordiccreditrating.com

## RATING RATIONALE

Our 'BBB-' long-term issuer rating on Norway-based property manager OBOS Eiendom AS reflects the company's relatively solid property portfolio in generally attractive locations. Our assessment is supported by the strong fundamentals of the Oslo area, which accounts for almost all of OBOS Eiendom's rental income. We view the company's long lease terms and solid operating margins as positive.

These strengths are offset by the modest size of OBOS Eiendom's property portfolio, albeit mitigated by a market position bolstered by the company's close ties with its parent, residential property developer OBOS BBL. Portfolio concentration is relatively high, which we view as a weakness. The company's concentrated project development pipeline, which includes speculative elements, also tempers our evaluation. We expect OBOS Eiendom's key credit metrics to weaken in the short term as it makes substantial investments in project development, although we expect this effect to be mitigated by property divestments.

Our assessment factors in OBOS Eiendom's relationship with OBOS BBL. We view OBOS Eiendom as a 'vital' component of the OBOS BBL group (as defined in our Group and Government Support Rating Methodology), due to a strong parent-subsidiary link, resulting from a long history of integration and a shared name. We add one notch of ownership support to our 'bb+' standalone credit assessment of OBOS Eiendom to bring the long-term rating on the company into line with our 'BBB-' long-term rating on OBOS BBL.

## STABLE OUTLOOK

The outlook is stable, reflecting the outlook on our long-term issuer rating on OBOS BBL. Given our view of OBOS Eiendom as 'vital' to the OBOS BBL group, we could revise our rating on the company due to changes in our issuer rating on the parent.

## POTENTIAL POSITIVE RATING DRIVERS

- An improvement in the credit quality of the overall OBOS BBL group.

## POTENTIAL NEGATIVE RATING DRIVERS

- A change in ownership or a deterioration in the credit quality of the overall OBOS BBL group.
- Reduction in strategic importance to OBOS BBL.

Figure 1. Key credit metrics, 2020–2026e

NOKm	2020	2021	2022	2023	2024e	2025e	2026e
Rental income	1,023	772	765	824	866	1,073	1,395
EBITDA	782	489	533	532	602	764	1,004
EBITDA margin (%)	76.4	63.4	69.6	64.6	69.5	71.2	71.9
Investment property	14,212	15,061	16,145	16,773	17,920	18,640	19,017
Net debt	5,657	6,169	5,948	7,065	8,275	8,759	8,760
Total assets	15,562	16,582	18,104	18,778	20,022	20,836	21,288
Net debt/EBITDA (x)	7.2	12.6	11.2	13.3	13.8	11.5	8.7
EBITDA/net interest (x)	5.5	3.4	2.9	2.1	1.9	3.0	5.0
Net LTV (%)	39.8	41.0	36.8	42.1	46.2	47.0	46.1
FFO/net debt (%)	11.1	5.3	4.2	3.2	2.9	5.5	8.7

Source: company and NCR. e–estimate. FFO–funds from operations. All metrics adjusted in line with NCR methodology.

**ISSUER PROFILE**

OBOS Eiendom is a Norway-based property manager, focusing on commercial properties primarily in the Oslo area. As of 31 Dec. 2023, the portfolio comprised 68 wholly owned investment properties valued at NOK 16.8bn. Retail and office properties account for two-thirds of rental income.

OBOS Eiendom was founded in 1952 by residential developer OBOS BBL, which remains its sole owner. The company was established to develop and own commercial properties in areas where OBOS BBL developed residential properties. The business concept was, and still is, to increase the attractiveness of OBOS BBL's residential areas.

**BUSINESS RISK ASSESSMENT**

Business risk assessment 'bb+'

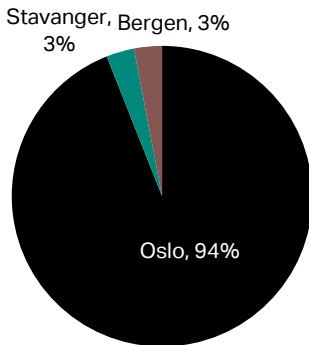
Our business risk assessment reflects OBOS Eiendom's relatively small and concentrated property portfolio. Despite the limited portfolio size, we believe that the company's market position is supported by its close ties with OBOS BBL. Our assessment is underpinned by the generally attractive locations of the company's properties, long average remaining lease terms, and the strong fundamentals of the Oslo area, which accounts for almost all of OBOS Eiendom's rental income. Our assessment is constrained by OBOS Eiendom's concentrated project development pipeline, which has speculative elements.

**Mixed property portfolio supported by strength of Oslo area**

Operating environment 'bb+'

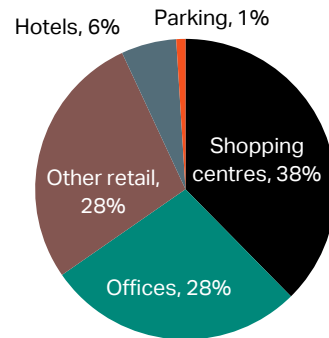
As of 31 Dec. 2023, 94% of OBOS Eiendom's rental income came from properties in the Oslo area, with the remainder coming from properties in Stavanger and Bergen. We take a favourable view of the company's primary focus on the Oslo area, which has low unemployment and population growth exceeding the national average.

Figure 2. Rental value by area, 31 Dec. 2023



Source: company.

Figure 3. Rental value by property type, 31 Dec. 2023



Source: company.

OBOS Eiendom's portfolio contains a mix of commercial properties, with a predominance of retail and office premises. Most of the company's retail exposure comes from seven shopping malls, six of which are located in the Oslo area. The malls saw a 6% revenue increase in 2023, and we expect those in favourable locations to continue to attract customers despite an increasing trend in e-commerce.

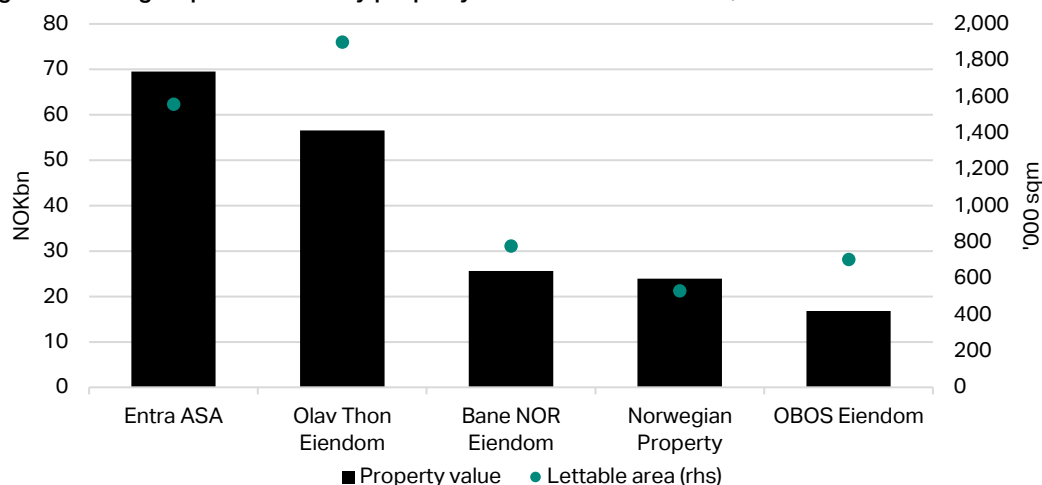
Office premises account for 28% of OBOS Eiendom's rental value. The office property market has been characterised by increased vacancies and rising rents in recent years. However, the office property market in Oslo saw a recovery in 2022 and we believe that the physical office will continue to play an important role, keeping the sector stable. Although we view these subsectors as relatively stable, we believe that a marked downturn in economic activity could have a considerable negative impact, with a possible adverse effect on occupancy and profitability.

**Small property portfolio supported by strong market position of OBOS BBL group**

Market position, size and diversification 'bb'

OBOS Eiendom's NOK 16.8bn investment property portfolio defines the company as a small property manager by Nordic standards. However, in our view, the company's market position is supported by its close ties with OBOS BBL, which is one of the largest residential developers in the region.

Figure 4. Peer group breakdown by property value and lettable area, 31 Dec. 2023



Source: companies.

Due to the small size of OBOS Eiendom's portfolio, concentrations are relatively high. The company's 10 largest tenants account for 44% of rental income, while the 10 largest properties account for 53%. Geographic concentration is also high, given that Oslo accounts for 94% of revenues. However, we believe that the risks related to this are mitigated by the strong fundamentals of the Oslo area.

We note that 8% of OBOS Eiendom's rental income comes from OBOS BBL. We do not see this as a major risk, as contracts are drawn up on an arm's length basis, although we acknowledge that issues at the parent could result in a loss of rental income.

Figure 5. Tenant concentration, 31 Dec. 2023

Tenant	Type of tenant	Share of rental income
Oslo Municipality	Municipality	9.9%
OBOS BBL (incl. subsidiaries)	Residential development	8.1%
NorgesGruppen ASA	Grocery retail	5.9%
Oslo University Hospital	Public health care	5.3%
Scandic Hotels AS	Hotel	3.6%
Coop	Grocery retail	3.3%
Skandlog AS	Third-party logistics	2.8%
Nexans Norway AS	Cable and optical fibre	1.9%
ISS Facility Services AS	Facility management	1.8%
Norwegian Labour and Welfare Administration	Public welfare agency	1.5%
<b>Top 10 tenants</b>	-	<b>44.2%</b>

Source: company.

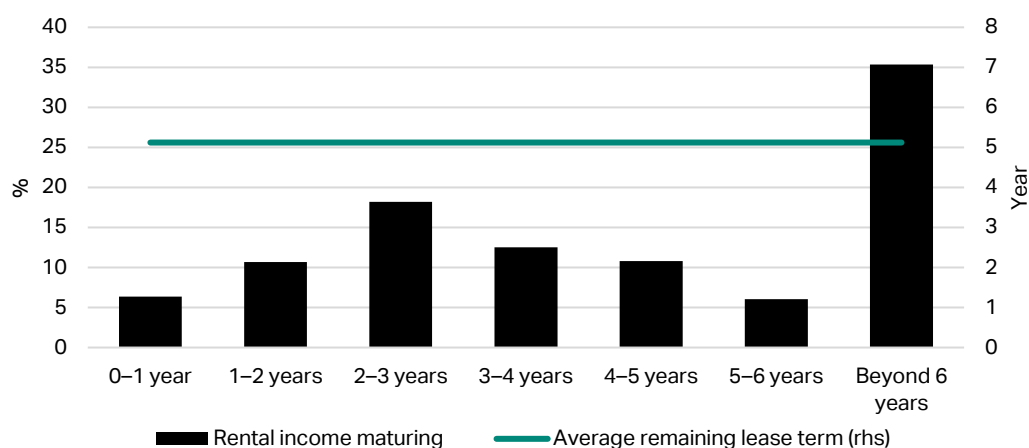
**Long contracts in locations close to residential areas**

OBOS Eiendom's 68 wholly owned properties are primarily concentrated in the Oslo area and are typically located near areas where OBOS BBL has developed residential properties. In our view, the locations of the properties are generally favourable, with the commercial and residential properties mutually supporting each other's attractiveness. We believe that the company's inner-city properties could be divested and used as a buffer in tougher economic conditions if necessary. The company's three largest properties in terms of rental income are shopping malls located on the outskirts of Oslo and we believe that these malls are in relatively attractive locations, which lowers the risk of reduced footfall and higher vacancies.

As of 31 Dec. 2023, the average remaining lease term in OBOS Eiendom's portfolio was 5.1 years, which is relatively long given the property mix. For the 10 largest contracts, the figure was 5.5 years. Contract maturities are relatively well spread, with maturities in no single year exceeding 20% of rental income.

Portfolio assessment  
'bbb-'

Figure 6. Lease maturity profile, 31 Dec. 2023



Source: company.

OBOS Eiendom's portfolio of development projects is dominated by its development of Construction City, a new office area specifically for tenants within the construction and real estate sectors. OBOS Eiendom's total budgeted investments amount to NOK 4.8bn, which highlights the scale of the project. It is located close to one of OBOS BBL's largest residential development projects, comprising some 3,000 homes, which underlines the close ties between the two companies. OBOS Eiendom's development projects typically target 50% pre-letting before construction starts. However, construction can begin sooner in some cases and we view these speculative elements as negative in our business risk assessment. Positively, we believe risk is mitigated by construction at fixed prices.

Figure 7. Large projects in progress, 31 Dec. 2023

Project	Location	Property type	Occup. rate	Lettable area (sqm)	Invested (NOKm)	Total investment (NOKm)	Estimated completion
Construction City	Ulven, Oslo	Office	73%	103,000	3088	4,758	Q4/25
Ulven B1 & D1A Garasje	Ulven, Oslo	Car Park	100%	12,358	167	199	Q3/24
Ulven B1 Kontor	Ulven, Oslo	Office	84%	11,200	442	550	Q4/24
<b>Total</b>	-	-	-	<b>126,558</b>	<b>3,697</b>	<b>5,507</b>	-

Source: company.

Besides OBOS Eiendom's in-house management and project properties, the company has property exposures through several joint ventures. These had a total book value of NOK 764m as of end-2023. The company's larger joint ventures often own income-generating properties with future development potential. We take a neutral view of OBOS Eiendom's joint-venture exposures in our overall assessment.

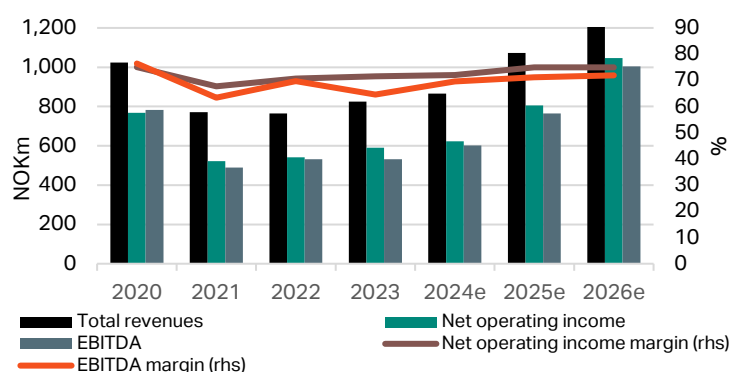
**Relatively strong EBITDA margin affected by joint-venture dividends and for-sale projects**

Over the past four years, OBOS Eiendom's EBITDA margin has fluctuated between 65% and 76%. This volatility is due to dividends received from joint ventures and associate companies, as well as profits from for-sale projects. We expect EBITDA-margins of around 70% over our forecast period through 2026.

OBOS Eiendom's occupancy rate increased to 91.6% in 2023 compared with 89.9% in 2022, and we expect it to continue to increase towards historical levels over the next few years as projects are finalised. Historically, occupancy has remained stable at above 95%.

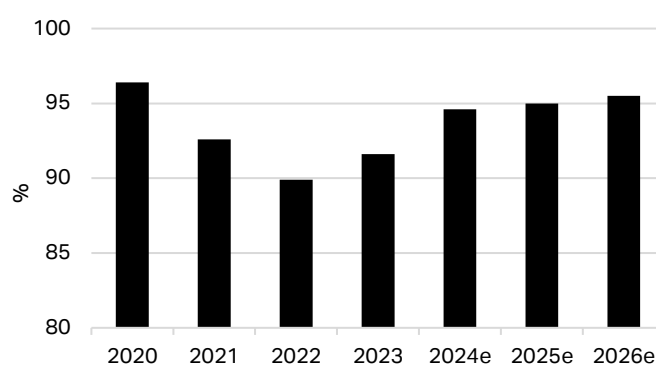
Operating efficiency  
'bbb'

Figure 8. Revenues, net operating income, EBITDA, and margins, 2020–2026e



Source: company and NCR. e–estimate.

Figure 9. Occupancy rate, 2020–2026e



Source: company and NCR. e–estimate.

### FINANCIAL RISK ASSESSMENT

Financial risk assessment 'bb+'

Our financial risk assessment weighs OBOS Eiendom's historically strong financial risk profile against our expectations that the company's key credit metrics will weaken due to substantial investments in the project development pipeline before improving over the remainder of our forecast period. We view OBOS Eiendom's financial risk appetite as commensurate with that of OBOS BBL.

#### Key metrics pressured by high near-term capital spending

Ratio analysis 'bb'

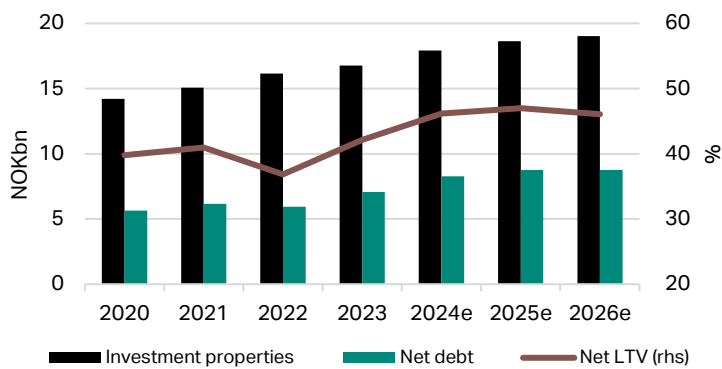
Over the past few years, OBOS Eiendom has maintained a net loan-to-value (LTV) ratio of around 40%. We expect the company's key credit metrics to weaken as it completes its planned investment in its Construction City development project over the next year. The project is scheduled for completion in 2025 and we expect the company's metrics to improve as the project either starts generating rental income or is divested upon completion. Over our forecast period, we expect the company's net interest coverage to improve gradually as market interest rates decline.

Figure 10. Key base-case forecast assumptions and credit metrics, 2024e–2026e

NOKm	2024e	2025e	2026e
Rental growth (%)	5.0	24.0	30.0
EBITDA margin (%)	69.5	71.2	71.9
Average interest rate (%)	3.8	2.8	2.2
Capital spending (NOKm)	1,169	720	377
Dividend payment (NOKm)	155	274	415
Net debt/EBITDA (x)	13.8	11.5	8.7
EBITDA/net interest (x)	1.9	3.0	5.0
Net LTV (%)	46.2	47.0	46.1
FFO/net debt (%)	2.9	5.5	8.7

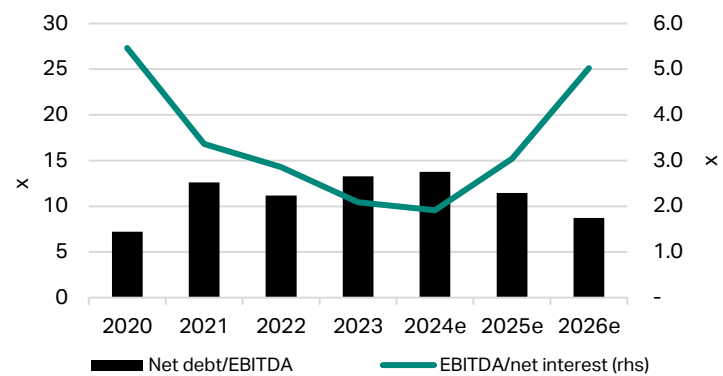
Source: company and NCR. e–estimate. All metrics adjusted in line with NCR methodology.

Figure 11. Investment properties, net debt, and net LTV, 2020–2026e



Source: company and NCR. e–estimate.

Figure 12. Net debt/EBITDA and EBITDA/net interest, 2020–2026e



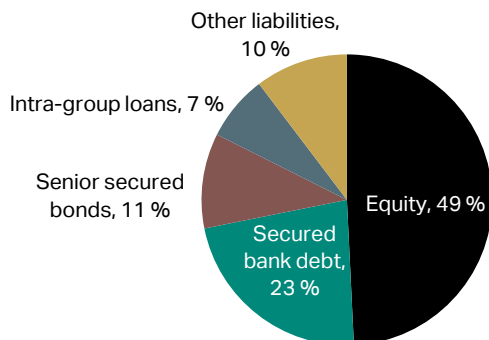
Source: company and NCR. e–estimate.

### Risk appetite dictated by parent

Risk appetite 'bbb-'

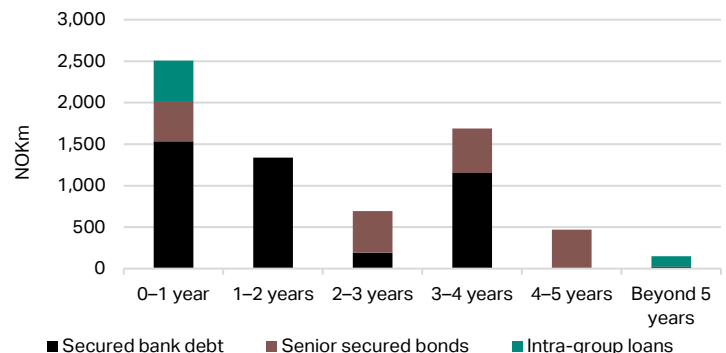
OBOS Eiendom's financial risk appetite is driven by the strategy and financial policies of the parent group. OBOS Eiendom finances its operations through common equity, secured bank debt, senior secured bonds and intra-group loans from OBOS BBL. As of 31 Dec. 2023, the average maturity of OBOS Eiendom's debt was around two years, while 37% of debt was set to mature in the subsequent 12 months. At the same time, the company's average fixed-interest period was 4.5 years, with 38% of interest at fixed rates. In our view, the company's fixed-interest periods are relatively strong. However, we view the concentration of debt maturities in single years as negative.

Figure 13. Funding profile, 31 Dec. 2023



Source: company.

Figure 14. Debt maturity profile, 31 Dec. 2023



Source: company.

OBOS BBL is structured as a member association, and consequently has no procedures for injecting equity if needed. We believe that OBOS BBL would support OBOS Eiendom in times of financial distress (see Ownership section below). However, we believe that financial distress at the parent could have a materially negative impact on OBOS Eiendom if the parent's financial ratios were to fall below target due to its limited ability to restore its own financial ratios. Positively, these risks are mitigated by substantial unrealised gains in OBOS BBL's land bank, equity investments and subsidiaries, in addition to generally strong liquidity at the parent.

OBOS Eiendom's interest-bearing debt is mainly governed by the overarching financial policy targets of OBOS BBL, which stipulate that LTV for the group must remain below 40% and interest coverage above 3x. Consequently, OBOS Eiendom could, in fact, have significantly weaker credit metrics without breaching policy levels. However, we deem this unlikely, and view OBOS Eiendom's risk appetite as commensurate with that of OBOS BBL due to the overall prudent financial risk profile within the group.

OBOS Eiendom's dividend policy stipulates that the company should maintain an annual dividend amounting to 50% of the previous year's after-tax profit.

**Figure 15. Financial covenants, policies and reported metrics**

Metric	Common loan covenants	Financial policy/targets	Reported 31 Dec. 2023
Equity ratio*	≥20%	-	33%
Gross LTV	<70-75%	-	45.3%**
Interest coverage ratio	>1.5x	-	2.4x**
Average fixed-interest period	-	2-5 years	4.5 years

Source: company. \*Calculated on entity basis. \*\*Unadjusted, calculated by NCR.

### ADJUSTMENT FACTORS

Adjustment factors  
neutral

Adjustment factors are assessed as neutral and have no effect on the rating.

### Liquidity

Liquidity adequate

Our 12-month liquidity analysis is based on a stressed scenario in which the company cannot access the capital markets or extend bank loans, and therefore has to rely on internal or committed external funding sources to cover its liquidity needs. We typically expect a company with an investment grade rating ('BBB-' or above) to cover its liquidity needs, with limited need for external funding over the coming 12 months.

We assess OBOS Eiendom's liquidity as adequate, despite funding uses exceeding sources by NOK 1.7bn over the 12 months ending 31 Dec. 2024. In our view, liquidity risk is mitigated by the company's strong ties with OBOS BBL, which manages liquidity for the wider group. We see the funding deficit as justifiable, given that group-wide liquidity is managed by a central treasury department.

**Figure 16. Liquidity analysis (stressed scenario) 31 Dec. 2023–31 Dec. 2024**

Liquidity, next 12 months	Amount (NOKm)
Cash and cash equivalents (100%)	26
Proceeds from borrowings	1,656
Adjusted FFO	183
<b>Total sources</b>	<b>1,864</b>
Repayment of borrowings	-1,991
Committed capital spending	-1,569
<b>Total uses</b>	<b>-3,560</b>
<b>Sources/uses (x)</b>	<b>0.5</b>
<b>Sources-uses (NOKm)</b>	<b>-1,696</b>

Source: company and NCR.

### Environmental, social and governance factors

ESG factors adequate

OBOS Eiendom's environmental, social, and governance (ESG) risks and opportunities are incorporated into our assessment of the company's overall business and financial risk. While ESG efforts are more pronounced in other OBOS BBL group members, especially in terms of their social focus, we view the parent's overall ESG efforts as favourable for OBOS Eiendom. For more details on our ESG assessment of OBOS BBL, see our rating report on the company's [NCR issuer page](#).

The main ESG issues that could affect our overall assessment of OBOS Eiendom are factors that could contribute to loss of revenues, increased costs, higher capital spending or a deterioration in financing opportunities.

**Figure 17. ESG considerations**

Issue	Risk	Mitigating efforts	Result
CO <sub>2</sub> emissions	Increased costs due to regulatory and/or taxation changes.	Has measured all Scope 1-3 emissions since 2021. Targets reducing CO <sub>2</sub> emissions from new construction by 45% by 2026. Targets carbon-neutral in-house operations, including carbon offsets (group-wide targets).	In 2023, total emissions were 4,682 tonnes of CO <sub>2</sub> equivalent, of which 9.5% was Scope 1 & 2 (internal) and 90.5% Scope 3.
Impact of climate change on operations	Loss of revenues or increased capital spending.	Evaluation of impact on properties.	Group is reporting according to Task Force on Climate Related Financial Disclosure. OBOS Eiendom reports EU Taxonomy alignment of 9%.
Increased environmental focus on financial markets	Adverse effect on financing opportunities or higher financing costs due to slow transition to lower carbon dependence.	Property certification. Energy efficiency. Overall sustainability focus. Started assessment of biodiversity impact in 2021 in anticipation of future investor demand (group-wide).	79% of projects are environmentally certified. Half of all properties have a class 'A' rating, and half have a class 'B' rating.

Source: company. See [ESG factors in corporate ratings](#).

### OWNERSHIP ANALYSIS

Ownership positive

We add one notch of support to our standalone credit assessment to reflect OBOS Eiendom's close ties with OBOS BBL, which has been the sole owner of the company since its foundation in 1952. We consider OBOS Eiendom a 'vital' component of the OBOS BBL group, due to a strong parent-subsidiary link resulting from a long history of integration and a shared name. We believe that OBOS BBL would support OBOS Eiendom at times of financial distress, although OBOS BBL's status as a member association means it has limited capacity to inject equity into the subsidiary if needed. In line with our methodology, we align the long-term issuer rating on OBOS Eiendom with our 'BBB-' long-term rating on OBOS BBL.

### ISSUE RATINGS

As of 31 Dec. 2023, OBOS Eiendom had four outstanding senior secured bonds totalling some NOK 2bn. In accordance with our methodology, we rate the company's secured instruments in line with the 'BBB-' long-term issuer rating. The company currently has no outstanding senior unsecured bonds.

### SHORT-TERM RATING

The 'N3' short-term rating reflects OBOS Eiendom's liquidity profile relative to the 'BBB-' long-term issuer rating. According to our liquidity analysis, the company's committed sources to uses stands at 0.5x, which we see as indicative of a weak liquidity profile for the long-term issuer rating. Liquidity risk is, however, mitigated by the company's strong ties with OBOS BBL, which manages liquidity for the wider group. The short-term rating is aligned with the 'N3' short-term rating on the parent.

### METHODOLOGIES USED

- (i) [Corporate Rating Methodology](#), 8 May 2023.
- (ii) [Rating Principles](#), 14 Feb. 2024.
- (iii) [Group and Government Support Rating Methodology](#), 14 Feb. 2024.



**Figure 18. NCR's adjustments to credit metrics, 2020–2026e**

NOKm	2020	2021	2022	2023	2024e	2025e	2026e
EBITDA	713	470	479	519	589	751	991
Dividends from JVs	69	19	53	13	13	13	13
NCR-adj. EBITDA	782	489	533	532	602	764	1,004
Net interest	-124	-98	-171	-213	-273	-209	-158
Capitalised interest	-20	-43	-18	-42	-42	-42	-42
Dividends reported as interest income	0	-5	0	0	0	0	0
NCR-adj. net interest	-143	-145	-188	-255	-315	-251	-200
NCR-adj. EBITDA	782	489	533	532	602	764	1,004
NCR-adj. net interest	-143	-145	-188	-255	-315	-251	-200
Current tax	-12	-15	-96	-50	-44	-32	-42
NCR-adj. FFO	627	328	248	227	243	481	762
Investment property	13,072	14,374	16,081	16,751	17,920	18,640	19,017
Project property	840	688	64	22	0	0	0
Assets classified as held for sale	300	0	0	0	0	0	0
NCR-adj. investment property	14,212	15,061	16,145	16,773	17,920	18,640	19,017
Cash and cash equivalents	224	108	687	529	429	485	522
NCR-adj. cash and equivalents	224	108	687	529	429	485	522
Gross interest-bearing debt	5,843	6,278	6,635	7,594	8,704	9,244	9,282
Liabilities related to assets held for sale	37	0	0	0	0	0	
NCR-adj. cash and equivalents	-224	-108	-687	-529	-429	-485	-522
NCR-adj. net debt	5,657	6,169	5,948	7,065	8,275	8,759	8,760

Source: company and NCR. e—estimate. JVs—joint ventures.

**Figure 19. OBOS Eiendom key financial data, 2020–2023**

NOKm	FY	FY	FY	FY
Period-end	31 Dec. 2020	31 Dec. 2021	31 Dec. 2022	31 Dec. 2023
<b>INCOME STATEMENT</b>				
Rental income	642	650	709	784
Other income	381	121	56	40
Total costs from operations	-255	-249	-224	-234
<b>Net operating income</b>	<b>768</b>	<b>522</b>	<b>541</b>	<b>590</b>
Administrative expenses	-55	-52	-62	-71
Administrative expenses, project portfolio	-	-	-	-
<b>EBITDA</b>	<b>713</b>	<b>470</b>	<b>479</b>	<b>519</b>
Share of profit in associated companies and joint ventures	162	88	45	38
Interest expenses	-124	-98	-188	-252
Interest income	-	-	20	39
Interest expenses, shareholder loans	-	-	-	-
Financial costs from leasing	-	-	-	-
Other financial costs	-	-	-2	-0
Changes in investment property	541	768	691	-481
Gain (loss) on financial assets held at fair value	-2	-	-	-0
Disposals of investment properties	-	-	-	-
Gain (loss) on derivatives	-77	69	186	-26
Depreciation and amortisation	-37	-37	-45	-16
Restructuring activities	-	-	-	-
Income (expense) on discontinued operations	-	-	-	-
<b>Pre-tax profit</b>	<b>1,177</b>	<b>1,261</b>	<b>1,185</b>	<b>-180</b>
Current taxes	-12	-15	-96	-50
Deferred taxes	-32	-200	-47	178
<b>Net profit</b>	<b>1,132</b>	<b>1,045</b>	<b>1,043</b>	<b>-52</b>
<b>BALANCE SHEET</b>				
Investment property	13,072	14,374	16,081	16,751
Other non-current assets	1,730	1,770	1,221	1,182
<b>Total non-current assets</b>	<b>14,802</b>	<b>16,143</b>	<b>17,301</b>	<b>17,933</b>
Cash and cash equivalents	13	8	122	26
Other current assets	747	430	681	819
<b>Total current assets</b>	<b>760</b>	<b>439</b>	<b>802</b>	<b>845</b>
<b>Total assets</b>	<b>15,562</b>	<b>16,582</b>	<b>18,104</b>	<b>18,778</b>
<b>Total equity</b>	<b>7,404</b>	<b>8,272</b>	<b>9,312</b>	<b>9,245</b>
Non-current borrowings	3,763	5,542	5,357	4,342
Non-current borrowings, shareholder loans	-	-	-	-
Deferred tax liabilities	1,363	1,557	1,694	1,557
Other non-current liabilities	35	52	35	36
<b>Total non-current liabilities</b>	<b>5,160</b>	<b>7,151</b>	<b>7,086</b>	<b>5,936</b>
<b>Total current liabilities</b>	<b>2,998</b>	<b>1,160</b>	<b>1,706</b>	<b>3,597</b>
<b>Total equity and liabilities</b>	<b>15,562</b>	<b>16,582</b>	<b>18,104</b>	<b>18,778</b>
<b>CASH FLOW STATEMENT</b>				
Pre-tax profit	1,177	1,261	1,185	-180
... of which changes in investment property	541	768	691	-481
Depreciation and amortisation	37	37	45	16
Tax paid	-16	-23	-16	-5
Adjustment for items not in cash flow	-512	-1,065	-391	408
<b>Cash flow from operating activities before changes in working capital</b>	<b>685</b>	<b>210</b>	<b>823</b>	<b>239</b>
Changes in working capital	-630	22	47	-
<b>Cash flow from operating activities</b>	<b>55</b>	<b>232</b>	<b>871</b>	<b>239</b>
<b>Cash flow from investment activities</b>	<b>943</b>	<b>-459</b>	<b>-558</b>	<b>-1,308</b>
<b>Cash flow from financing activities</b>	<b>-992</b>	<b>222</b>	<b>-199</b>	<b>973</b>
Cash and cash equivalents at beginning of period	6	13	8	122
Cash flow for period	7	-5	113	-96
<b>Cash and cash equivalents at end of period</b>	<b>13</b>	<b>8</b>	<b>122</b>	<b>26</b>

Source: company. FY–full year.

**Figure 20. OBOS Eiendom rating scorecard**

<b>Subfactors</b>	<b>Impact</b>	<b>Score</b>
Operating environment	20.0%	bb+
Market position, size and diversification	12.5%	bb
Portfolio assessment	12.5%	bbb-
Operating efficiency	5.0%	bbb
<b>Business risk assessment</b>	<b>50.0%</b>	<b>bb+</b>
Ratio analysis		bb
Risk appetite		bbb-
<b>Financial risk assessment</b>	<b>50.0%</b>	<b>bb+</b>
<b>Indicative credit assessment</b>		<b>bb+</b>
Liquidity		Adequate
ESG		Adequate
Peer calibration		Neutral
<b>Stand-alone credit assessment</b>		<b>bb+</b>
Support analysis		+1 notch
<b>Issuer rating</b>		<b>BBB-</b>
Outlook		Stable
<b>Short-term rating</b>		<b>N3</b>

**Figure 21. Capital structure ratings**

<b>Seniority</b>	<b>Rating</b>
Senior secured	BBB-

## DISCLAIMER

Disclaimer © 2024 Nordic Credit Rating AS (NCR, the agency). All rights reserved. All information and data used by NCR in its analytical activities come from sources the agency considers accurate and reliable. All material relating to NCR's analytical activities is provided on an "as is" basis. The agency does not conduct audits or similar warranty validations of any information used in its analytical activities and related material. NCR advises all users of its services to carry out individual assessments for their own specific use or purpose when using any information or material provided by the agency. Analytical material provided by NCR constitutes only an opinion on relative credit risk and does not address other forms of risk such as volatility or market risk and should not be considered to contain facts of any kind for the purpose of assessing an issuer's or an issue's historical, current or future performance. Analytical material provided by NCR may include certain forward-looking statements relating to the business, financial performance and results of an entity and/or the industry in which it operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. Forward-looking statements contained in any analytical material provided by NCR, including assumptions, opinions and views either of the agency or cited from third-party sources are solely opinions and forecasts which are subject to risk, uncertainty and other factors that could cause actual events to differ materially from anticipated events. NCR and its personnel and any related third parties provide no assurance that the assumptions underlying any statements in analytical material provided by the agency are free from error, nor are they liable to any party, either directly or indirectly, for any damages, losses or similar, arising from use of NCR's analytical material or the agency's analytical activities. No representation or warranty (express or implied) is made as to, and no reliance should be placed upon, any information, including projections, estimates, targets and opinions, contained in any analytical material provided by NCR, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained in any analytical material provided by the agency. Users of analytical material provided by NCR are solely responsible for making their own assessment of the market and the market position of any relevant entity, conducting their own investigations and analysis, and forming their own view of the future performance of any relevant entity's business and current and future financial situation. NCR is independent of any third party, and any information and/or material resulting from the agency's analytical activities should not be considered as marketing or a recommendation to buy, sell, or hold any financial instruments or similar. Relating to NCR's analytical activities, historical development and past performance does not safeguard or guarantee any future results or outcome. All information herein is the sole property of NCR and is protected by copyright and applicable laws. The information herein, and any other information provided by NCR, may not be reproduced, copied, stored, sold, or distributed without NCR's written permission.

## NORDIC CREDIT RATING AS

[nordiccreditrating.com](https://nordiccreditrating.com)