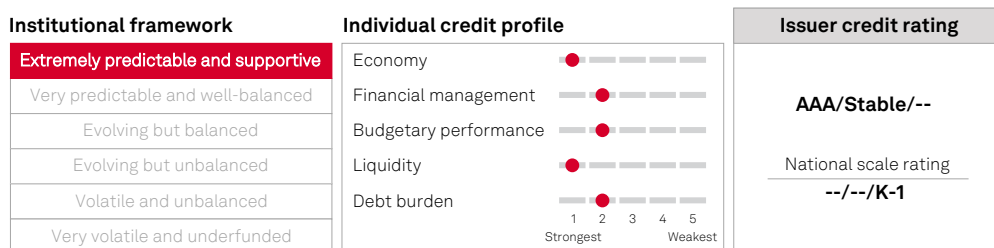


# Municipality of Täby

September 1, 2025

This report does not constitute a rating action.

## Ratings Score Snapshot



### Primary Contacts

**Linus Bladlund**  
Stockholm  
46-8-440-5356  
linus.bladlund  
@spglobal.com

**Carl Nyreod**  
Stockholm  
46-84-40-5919  
carl.nyreod  
@spglobal.com

### Secondary Contact

**Mattias Petersson**  
Stockholm  
733329630  
mattias.petersson  
@spglobal.com

## Credit Highlights

### Overview

Credit context and assumptions	Base-case expectations
Sweden's extremely predictable and supportive institutional framework underpins the ratings on Täby.	We expect the municipality will uphold strong budgetary performance, partly because of sound spending control, solid tax revenue growth and sizable capital revenue.
The local economy is solid, underpinned by favorable socioeconomic fundamentals and close proximity to the greater Stockholm area.	Täby's debt levels will remain low in a domestic and international peer comparison, despite increased onlending to water and wastewater associations Käppalaförbundet and Norrvatten.
	We expect Täby's management will maintain strong budgetary performance and liquidity, underpinned by prudent financial policies.

### S&P Global Ratings expects Täby's budgetary performance to remain robust in the coming years.

After weaker growth in 2024, we expect tax revenue to increase and remain robust through 2027, supporting the budgetary performance metrics as inflationary pressures on spending abate. At the same time, sizable capital revenue will boost balances after capital accounts.

### We project debt will increase but remain at low levels in a domestic and international peer comparison.

Investments in the municipality and onlending to water and wastewater associations Käppalaförbundet and Norrvatten will be the main drivers of debt through 2027.

## Outlook

The stable outlook reflects our view that Täby will be able to finance its infrastructure development program with only modest debt increase. In our view, the municipality will maintain sound budgetary performance, despite the impact of higher interest payments, and we expect the municipality's average deficits after capital accounts to remain below 5% of revenue through 2027.

### Downside scenario

We could lower our rating on Täby if the municipality's management fails to adequately address any potential weakening in budgetary performance. We could also lower the rating if Täby's tax-supported debt increases above 60% of revenue.

## Rationale

### Täby's strong local economy and Sweden's robust institutional framework continue to underpin the rating

We regard the institutional framework for Swedish local and regional governments (LRGs) as extremely predictable and supportive. In our view, the framework displays a high degree of stability, and the LRG sector's revenue and expenditure management is based on a far-reaching equalization system and tax autonomy. Historically, the central government has provided extensive support to LRGs, for example through additional grants distributed in response to the pandemic or, more recently, to cover rising pension costs (for more information, see "[Swedish Municipalities And Regions Have Flexibility To Balance Costs](#)," Nov. 29, 2023).

We consider Täby's financial management as competent. The municipality is governed by a stable center-right majority coalition consisting of four parties. We believe Täby's management, with its strong track record of prudent policymaking, will continue to provide timely and effective policy responses to address future economic and budgetary challenges. Täby's budgeting is predictable and transparent, with formal rules that stipulate clear processes and high transparency. Moreover, conservative financial policies, which support the municipality's robust debt service coverage ratios, underpin the liquidity and debt management.

Täby benefits from Sweden's strong economic fundamentals, demonstrated by our national GDP per capita estimate of about \$60,000 in 2025. Furthermore, Täby's local economy is highly dynamic, supported by its proximity to the greater Stockholm area and access to well-functioning commuter infrastructure. The municipality's socioeconomic profile is characterized by high personal income levels by international and national standards, and low unemployment rates. Täby has about 80,000 inhabitants and the population growth is expected to remain solid in a national context of slower population growth overall.

### Budgetary performance should remain strong, but increased on-lending to jointly owned municipal associations will contribute to moderate debt buildup

Täby has a track record of generating sound operational cash flows and 2025 is no different; operating budget surplus as a share of operating revenue exceeded 12%, which is strong in a domestic peer comparison. We expect solid tax revenue growth and continued spending control will support the municipality's budgetary performance, although margins could weaken

## Municipality of Täby

somewhat in the years to come. Over our forecast horizon through 2027, we expect Täby's management will maintain budgetary discipline and comply with the sectorwide balanced budget requirement.

Täby's investment needs remain sizable, but balances after capital accounts are counterbalanced by strong cash flows from the operations and capital revenue from land development gains. Consequently, we see limited risks that deficits will widen to above 5% of revenue.

We expect a moderate increase in debt throughout the forecast period, with tax-supported debt reaching 33% of consolidated revenue at the end of 2027, up from 23% in 2024. This increase in debt will partly be driven by investments in the municipality but also by on-lending to municipal associations Käppala and Norrvatten. Both are jointly owned by neighboring municipalities and undertake core municipal water and wastewater services, and both benefit from unlimited fee-setting ability. As of year-end 2024, about 20% of Täby's external debt had been on-lent to these two entities.

We consider Täby's contingent liabilities associated with its joint and several guarantee to Sweden's public sector funding agency Kommuninvest (AAA/Stable/A-1+) to be limited. We also view Täby's other contingent liabilities as limited, with low risk of materialization.

In line with conservative financial policies, Täby has a track record of maintaining a very strong liquidity position, and we expect the debt service coverage ratio to remain comfortably above 120%. Liquidity sources comprise cash holdings, a checking account, and a sizable portfolio of financial assets, managed in the form of mutual funds. We apply haircuts to these assets according to the securities' underlying credit quality. Täby funds itself via the capital markets and Kommuninvest and in line with other rated Swedish LRGs, Täby benefits from reliable access to external financing. This was the case even during past episodes of financial market turmoil.

### Municipality of Täby Selected Indicators

Mil. SEK	2022	2023	2024	2025bc	2026bc	2027bc
Operating revenue	5,420	5,730	6,055	6,259	6,429	6,619
Operating expenditure	4,705	4,989	5,300	5,672	5,860	6,074
Operating balance	715	741	755	588	568	545
Operating balance (% of operating revenue)	13.2	12.9	12.5	9.4	8.8	8.2
Capital revenue	191	168	198	223	93	167
Capital expenditure	661	666	778	847	787	916
Balance after capital accounts	245	243	175	(36)	(126)	(204)
Balance after capital accounts (% of total revenue)	4.4	4.1	2.8	(0.6)	(1.9)	(3.0)
Debt repaid	400	481	336	568	494	922
Gross borrowings	381	130	291	644	893	1,302
Balance after borrowings	154	(90)	211	(180)	0	(0)
Direct debt (outstanding at year-end)	1,631	1,280	1,325	1,401	1,800	2,180
Direct debt (% of operating revenue)	30.1	22.3	21.9	22.4	28.0	32.9
Tax-supported debt (outstanding at year-end)	1,649	1,296	1,339	1,415	1,814	2,194
Tax-supported debt (% of consolidated operating revenue)	30.0	22.3	21.8	22.3	27.9	32.7
Interest (% of operating revenue)	0.2	1.5	0.8	0.5	0.6	1.0

## Municipality of Taby

### Municipality of Taby Selected Indicators

Local GDP per capita (\$)	--	--	--	--	--	--
National GDP per capita (\$)	55,480.1	55,646.7	57,821.7	59,881.2	65,948.4	69,256.6

The data and ratios above result in part from S&P Global Ratings' own calculations, drawing on national as well as international sources, reflecting S&P Global Ratings' independent view on the timeliness, coverage, accuracy, credibility, and usability of available information. The main sources are the financial statements and budgets, as provided by the issuer. bc--Base case reflects S&P Global Ratings' expectations of the most likely scenario. SEK--Swedish krona. \$--U.S. dollar.

### Municipality of Taby rating component scores

Key rating factors	Scores
Institutional framework	1
Economy	1
Financial management	2
Budgetary performance	2
Liquidity	1
Debt burden	2
Stand-alone credit profile	aaa
Issuer credit rating	AAA

S&P Global Ratings bases its ratings on non-U.S. local and regional governments (LRGs) on the six main rating factors in this table. In the "Methodology For Rating Local And Regional Governments Outside Of The U.S.," published on July 15, 2019, we explain the steps we follow to derive the global scale foreign currency rating on each LRG. The institutional framework is assessed on a six-point scale: 1 is the strongest and 6 the weakest score. Our assessments of economy, financial management, budgetary performance, liquidity, and debt burden are on a five-point scale, with 1 being the strongest score and 5 the weakest.

## Key Sovereign Statistics

- [Sovereign Risk Indicators](http://www.spratings.com/sri), July 7, 2025. Interactive version available at <http://www.spratings.com/sri>

## Related Criteria

- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10, 2021
- [Criteria | Governments | International Public Finance: Methodology For Rating Local And Regional Governments Outside Of The U.S.](#), July 15, 2019
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16, 2011

## Related Research

- [Institutional Framework Assessments For Local And Regional Governments Outside Of The U.S.](#), June 26, 2025
- [Kommuninvest i Sverige AB](#), May 7, 2025
- [Nordic Public Finance Credit Outlook 2024: A Mixed Picture](#), May 16, 2024
- [Institutional Framework Assessment: Swedish Municipalities And Regions Have Flexibility To Balance Costs](#), Nov. 29, 2023

## Municipality of Taby

### Ratings Detail (as of September 01, 2025)\*

#### **Taby (Municipality of)**

Issuer Credit Rating	AAA/Stable/--
<i>Nordic Regional Scale</i>	--/--/K-1

#### **Issuer Credit Ratings History**

04-Mar-2022	<i>Foreign Currency</i>	AAA/Stable/--
04-Sep-2020		AAA/Negative/--
27-Feb-2008		AAA/Stable/--
04-Mar-2022	<i>Local Currency</i>	AAA/Stable/--
04-Sep-2020		AAA/Negative/--
27-Feb-2008		AAA/Stable/--
31-Dec-1998	<i>Nordic Regional Scale</i>	--/--/K-1

\*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

Copyright © 2025 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

Some of the Content may have been created with the assistance of an artificial intelligence (AI) tool. Published Content created or processed using AI is composed, reviewed, edited, and approved by S&P personnel.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, [www.spglobal.com/ratings](http://www.spglobal.com/ratings) (free of charge), and [www.ratingsdirect.com](http://www.ratingsdirect.com) (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at [www.spglobal.com/usratingsfees](http://www.spglobal.com/usratingsfees).

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.