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PRESS RELEASE

19-01-2012

Balder Acquires Property in Central Malmö and Issues Preference Shares as Partial Payment

Balder entered into an agreement on 19 January to acquire the property Rosen 9 located at Lilla Torg in central Malmö. The property has an area of approximately 11,000 sq.m. and is mostly leased to a five-star hotel operated under the Marriott Renaissance brand.

The transaction is in line with Balder's strategy of expanding its commercial portfolio in attractive locations in Stockholm, Gothenburg and the Öresund region.

The purchase price is approximately SEK 400 million, of which SEK 265 million will be paid through the issuance of 1,000,000 preference shares at a subscription price of SEK 265 per share. The subscription price corresponds to the volume weighted average closing price of Balder's preference share on NASDAQ OMX Stockholm during the period 1 December to 30 December 2011, rounded down to the nearest integer. Possession will take place on 30 January 2012. The Board therefore intends, pursuant to authorisation from the AGM, to resolve on an offset issue on the date of taking possession.

Balder has been informed that the seller of the property has agreed to resell the above 1,000,000 preference shares to Swedbank, which in turn has decided to offer these preference shares for sale in an offer to the public in Sweden and to institutional investors in Sweden and abroad.

On account of Swedbank's public offer described above, Balder will prepare a prospectus and seek approval and registration of the prospectus at the Swedish Financial Supervisory Authority. The prospectus is expected to be approved and published on 20 January 2012. The acceptance period for the offer to the public starts on 23 January 2012 and ends on 1 February 2012 and the acceptance period for the offer to institutional investors starts on 23 January 2012 and ends on 2 February 2012.

Swedbank Corporate Finance is acting as financial advisor to Balder in connection with the transaction.

For further information, please contact:
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Head of Finance Marcus Hansson, tel. +46 768 369 848

Balder discloses the information provided herein pursuant to the Swedish Securities Markets Act and/or the Swedish Financial Instruments Trading Act. The information was released for publication on Thursday, 19 January 2012 at 14.00

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Fastighets AB Balder is a listed real estate company with a property portfolio consisting of approximately 50% residential properties and 50 % commercial properties. Balder's property portfolio had a value of SEK 16.5 billion on 30 September 2011. Balder's shares are listed on NASDAQ OMX Stockholm, Mid Cap.