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D. CARNEGIE & CO.

Notice of extraordinary general meeting of D. Carnegie & Co AB (publ)

The shareholders of D. Carnegie & Co AB (publ) (the "Company") are hereby summoned to an extraordinary general meeting on Monday 27 October 2014 at 14.00 p.m. at Armémuseum, Riddargatan 13, Stockholm.

Right to attend the general meeting

Shareholders who wish to attend the general meeting must be registered in the share register maintained by Euroclear Sweden AB on Tuesday 27 October 2014, and must also notify the Company of their intention to attend the general meeting no later than Tuesday 27 October 2014 at 4.00 p.m.

The notification must be made in writing to D. Carnegie & Co AB (publ), Strandvägen 5A, 114 51 Stockholm or by e-mail to info@dcarnegie.se. The notification must state the shareholder's name, personal identity number/registration number, shareholding, address, day time telephone number and information about the attendance of any assistants (maximum two) and, if applicable, information about any proxies.

Proxy

Shareholders represented by proxy must submit a dated power of attorney. If the power of attorney is executed by a legal person, a certified copy of the certificate of registration or equivalent should be attached. The power of attorney and certificate of registration may not be older than one year, however, the power of attorney may be older provided that the power of attorney according to its wording is valid for a longer period, although, not more than five years. The original power of attorney and the certificate of registration should be sent to the Company at the address mentioned above in good time prior to the general meeting. A form for a proxy that can be used will be available on the Company's website, www.dcarnegie.se, and will be sent to shareholders who so request and have given their address.

Nominee-registered shares

Shareholders whose shares are registered in the name of a nominee through a bank or a securities institution must temporarily re-register their shares in their own names in order to be entitled to

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attend the general meeting. Such registration must be duly effected in the share register maintained by Euroclear Sweden AB on Tuesday 27 October 2014, and the shareholders must therefore advise their nominees well in advance of this date.

Number of shares and votes

In the Company, there are a total of 5,369,866 shares of series A that hold five (5) votes per share at the general meeting and 65,399,010 shares of series B that hold one (1) vote per share at the general meeting. Thus, there are a total of 70,768,876 shares and 92,248,340 votes in the Company.

Proposed agenda

1. Opening of the general meeting.
2. Election of chairman of the general meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to approve the minutes.
6. Determination of whether the general meeting has been duly convened.
7. The Board's proposal to approve the Company's acquisition of Östgötaporten AB.
8. Determination of the number of directors and deputy directors
9. Determination of remuneration to the directors
10. Election of the directors and chairman
11. Appointment of a Nomination Committee
12. Closing of the general meeting.

Item 2) – The board of directors' proposal of election of chairman at the general meeting

The board of directors proposes that Knut Pousette, chairman of the board, is elected chairman at the general meeting.

Item 7) – The Board's proposal to approve the Company's acquisition of Östgötaporten AB

Because of the proposed acquisition of the above mentioned company, the board of directors makes the following statement.

The Company has, through its subsidiary Stendörren Bostäder AB. Reg no 556943-4888 (the "**Purchaser**") entered into an share purchase agreement with Sörmlandsporten AB Reg. no 556716-3034 (the "**Seller**"). The Seller is equally owned by Kvalitena AB and Fondex AB. The Purchaser and the Seller has entered into a conditional share purchase agreement regarding the

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Purchaser's acquisition of all the shares in the company Östgötaporten AB Reg. no 556941-0151 ("**Östgötaporten**"). Östgötaporten is the owner of the properties Röken 22, Plysaren 13, Dörren 12, Dörren 14, Porten 16 and Valvet 1, all in the Municipality of Norrköping (the "**Properties**").

The reason for the acquisition is that the Properties were previously included in the large property portfolio acquired on July 4 earlier this year and therefore well known to the Company. The property management has been handled by the Company's subsidiary Graflunds and therefore the Company has a good view of the financial expectations from the Properties as such. The purchase price was negotiated on commercial basis and the Seller has also received bids on similar terms from other independent stakeholders. The Properties have also been evaluated by external appraisers and the valuation has somewhat exceeded the agreed property value.

The acquisition will increase the company's rental income by approximately SEK 130,000,000 per year and strengthen earnings before financial items with closed to SEK 60,000,000.

Although the Properties are located on the edge of our geographic focus area, the Municipality of Norrköping is positively affected by the growth of Stockholm and there are currently no vacancies in the Properties. Through the acquisition, the Company will be, indirectly through the Purchaser, the owner of well-integrated, strategically located properties in Norrköping consisting of 1900 apartments.

The purchase price for the shares in Östgötaporten is based on an underlying agreed property value of SEK 1,000,000,000, representing approximately SEK 7,500 per square meter. Closing is expected to occur in the fourth quarter of 2014. The apartments have an excellent location in the Municipality of Norrköping and fits in with the Company's other property portfolio. Because Kvalitena AB (publ.) is a shareholder in both the Company and the Seller, the acquisition is subject to approval of the Extra Annual General Meeting to be held in October.

The acquisition of Östgötaporten is financed through the assumption of existing bank loans, a vendor note of SEK 150,000,000, valid until 31 March 2015, and the rest will be paid in cash. Before signing the share purchase agreement, the Company and the Purchaser obtained an independent valuation by Savills who reported a value of properties amounting to SEK 1,009,000,000. The Company has also given another valuation agency, NewSec, an assignment to provide a fairness opinion regarding the acquisition before the extraordinary shareholders meeting.



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Item 8-10) – Proposals from the Nomination Committee

The Nomination Committee consists of Knut Pousette, Chairman of the board (representative of Kvalitena AB), Ranny Davidoff (representative of Frasdale Int. BV) and Bjarne Eggesbø (representative of Svensk Bolig Holding AB). The Nomination Committee proposes the following:

- that the board of directors shall consist of five (5) board members and no deputy members (item 8),
- that the remuneration to the directors shall be in accordance with previously adapted principals, determined on the annual meeting 21 May 2014. Given the now proposed board composition, the remuneration to the board of directors will be paid in a total amount of SEK 400,000, of which board members that are not employed by the Company or its group shall receive SEK 100,000 each. The remuneration relates to compensation for a period of one year. The remuneration is to be paid to the board members prior to the next annual meeting 2015, calculated in proportion to the date of the election of each of the directors. Following a separate agreement with the Company, a Board member may invoice the fees for the board work, together with statutory social security contributions and value added tax, through a company owned by the Board member, subject to the precondition that such payment is cost neutral to the Company (item 9), and
- that Knut Pousette, Ronald Bengtsson and Mats Höglund are re-elected as directors of the board for the period until the end of the next annual general meeting, that Ranny Davidoff and Bjarne Eggesbø are elected as new members of the board for the period until the end of the next annual general meeting and that Knut Pousette is re-elected as chairman of the board (item 10).

Item 11) – Appointment of a Nomination Committee

The Nomination Committee proposes that the general meeting resolves to establish a nomination committee in accordance with the below.

The chairman of the board shall be appointed member of the nomination committee and shall be instructed to, after consultation with the three largest shareholders of the Company, with respect to voting rights, as per 31 October 2014, appoint three additional members. The names of these members shall be made public not later than six months before the annual general meeting 2015. The nomination committee shall among themselves appoint one of the members of the committee as chairman. The appointed chairman may not be the chairman of the board.

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In the event a shareholder represented by a member of the nomination committee is no longer one of the largest shareholders of the Company, with respect to voting rights, or in the event a member of the nomination committee is no longer employed by such shareholder or for any other reason resigns from the nomination committee before the annual general meeting 2015, the other members of the nomination committee shall, after consultation, have the right to appoint another representative for the larger shareholders to replace such member.

The nomination committee's duties in preparation for the annual general meeting 2015 comprise of preparing the election of chairman and other directors of the board, election of auditor, election of chairman of the annual general meeting, matters regarding fees and questions in connection thereto.

Documents

The Board's proposal to approve the Company's acquisition of Östgötaporten AB and documents related thereto under item 7 above on the proposed agenda will be available for inspection at the Company's offices, Strandvägen 5A, 114 51, Stockholm, not later than 2 weeks before the meeting and will be sent to shareholders who so request and have given their address. The documents are also published on the Company's website, www.dcarnegie.se.

Information at general meetings

Upon request by any shareholder and where the board of directors believes that such may take place without significant harm to the Company, the board of directors and managing director shall provide information at the general meeting in respect of the following; (i) any circumstances which may affect the assessment of a matter on the agenda; and (ii) any circumstance which may affect the assessment of the Company's, or any of its subsidiaries', financial position and relation to any other group companies.

Stockholm, October 2014

D. Carnegie & Co AB (publ)

The Board of Directors

About D. Carnegie & Co

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D. CARNEGIE & CO.

D. Carnegie & Co is a real estate company focusing on residential properties within the Stockholm region and other growth areas. The Company's business concept is to own and manage its real estate portfolio and to gradually refurbish apartments in connection with the natural turnover of tenants. This can take place quickly and cost-efficiently due to the Company's established refurbishment method, Bosystem™. The refurbishment model is popular with both tenants and the Swedish Union of Tenants (Sw. *Hyresgästsöreningen*) as the apartments are attractively refurbished without any tenants being forced to vacate the premises.

During 2014, D. Carnegie & Co has acquired several large portfolios of workable residential properties mainly situated in Stockholm's growth areas. As of 30 September 2014, the market value amounted to SEK 10,1 billion and the total rental value was estimated to amount to over SEK 1,000 million per year. The financial leasing rate is high and none of the properties are vacant. D. Carnegie & Co is listed on NASDAQ OMX First North since 9 April 2014. The Company's Certified Adviser is G&W Fondkommission.