

Press release, 23 October 2014

D. Carnegie & Co publish the Group's earnings capacity as per September 30, 2014

D. Carnegie & Co AB has, since the listing in April 2014, conducted a number of major property acquisitions, which has made the company the largest listed pure residential property company in Sweden. In order to give the market a clear and current picture of the company and its earnings capacity, the company hereby publishes its pro forma earnings and certain key figures as per September 30 in 2014. An audiocast will be held today at 10.00 am CET.

Since the listing on Nasdaq OMX First North in April 2014 D. Carnegie & Co has acquired residential properties with an underlying value of approximately SEK 7 billion. The company's total real estate portfolio amounts to over SEK 10.1 billion as per September 30, 2014. At the same date, the company's gearing ratio was 57 percent and the average maturity of loans was 2.1 years. The average interest rate is 3.6 percent.

Pro forma earnings capacity as per September 30, 2014

The table below presents the D. Carnegie & Co earnings capacity on a twelve month basis. Important to note is that the current earnings capacity is not to be considered a forecast for the next twelve months. The earnings capacity does not contain e.g. any assessment of change in rents, vacancies, currencies or interest rate.

D. Carnegie & Co's income statement is also affected by the value development of the property portfolio and future acquisitions and/or sales of properties. Additional items affecting earnings are changes in value of derivatives. None of the above has been considered in the current earnings capacity.

The earnings capacity is based on the contracted rental income of the property portfolio, estimated property costs in a normal year and the costs of administration. The costs for the interest-bearing liabilities are based on the Group's average interest rate, including the effect of derivative instruments.

Amounts in SEK m	Sep 30, 2013 – Sep 30, 2014 proforma
Rental income	1,021,721
Other income	7,423
Operating costs	-409,818
Maintenance costs	-95,089
Property tax	-20,679
Rent for leasehold site	-12,020
Net operating income	491,538
Central administration	-41,150
Financial net	-203,280
Interest convertible bonds	-51,000
Income from property management	196,108

Pace of refurbishment of apartments

In addition to general refurbishment of properties, D. Carnegie & Co also refurbish single apartments as they are vacated through the natural turnover and relocation of tenants. These refurbishments include replacement of the standing and laying pipes. Apartment refurbishments can be done at half the cost compared to traditional refurbishments, thanks to a minimal need for project management and the use of own material. In 2014, about 250 apartments will be refurbished, and the target is to reach over 1000 apartments per year. Vacancy loss as an effect of refurbishment is about two months per apartment. Other vacancy losses are negligible.

Audiocast today at 10.00 am CET

At 10:00 am CET today the company invites shareholders, analysts and other interested parties to an audiocast to present the company and its current earnings capacity as per September 30, 2014. The presentation and associated material will be available on www.dcarnegie.se and can be followed via the web or by phone at the numbers listed below. Please call approximately five minutes before the scheduled start time so that the conference can start on time. Following the presentation, the conference attendees will be given the opportunity to ask questions to the company CEO Ulf Nilsson and CFO Per-Axel Sundström.

D. Carnegie & Co's report for the third quarter 2014 will be published on Friday, November 21 at 08:30 am CET as earlier communicated.

Telephone numbers for the audiocast:

+44 2033645372 or

+46 851999362

About 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. *Hyresgästersföreningen*) 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 per 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.

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Further information is available on www.dcarnegie.se