

Press release

Nacka November 18, 2014

Hemfosa Fastigheter acquires properties valued at SEK 3.3 billion as part of exchange transaction with Hemsö

As a feature of a strategic exchange transaction with the property company Hemsö, Hemfosa Fastigheter is to acquire 60 public properties in 11 towns in Sweden with an underlying property value of nearly SEK 3.3 billion. At the same time, Hemfosa is selling a site leasehold in Huddinge, with an underlying property value of slightly more than SEK 1.1 billion, to Hemsö. As a result of this transaction, Hemfosa strengthens its position in its prioritized public properties segment.

The acquired properties are located mainly in the Stockholm region, Härnösand, Sundsvall, Umeå, Karlskrona, Finspång, Malmö and Eksjö, with an underlying property value of SEK 3,266 million. The total leasable area amounts to approximately 275,000 sqm. The tenants are predominantly municipal operations such as retirement homes, schools and care centers, but also include the Police Authority and the National Courts Administration. The leasing rate is 98 percent and the average term of the leases was 9.0 years as of year-end 2014.

As a feature of the agreement, Hemfosa is selling the leasehold to the Medicinaren 19 property in Huddinge, with an underlying property value of SEK 1,130 million, to Hemsö.

“We are delighted to have been able to implement this strategic transaction and thus sharply expand our portfolio with public properties in such segments as healthcare and schools. Accordingly, the acquisition is an important step in achieving Hemfosa’s strategy for growth and focusing on the public properties segment,” says Jens Engwall, CEO of Hemfosa Fastigheter.

The acquisition from Hemsö is contingent upon approval from the Swedish Competition Authority. Possession is scheduled to be taken before year-end 2014.

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About Hemfosa Fastigheter

Hemfosa is a Swedish real estate company with a well-balanced and geographically diversified property portfolio focusing on public properties with state and municipalities as the largest tenants. This provides stable cash flows and a healthy yield. In conjunction with value creation, Hemfosa also aims to actively participate in the transaction market. At September 30, 2014, Hemfosa owned commercial properties in Sweden with a total property value of approximately SEK 20.5 billion, including the company’s share of the property value of joint ventures. The company’s share has been listed on Nasdaq Stockholm Mid Cap since March 21, 2014. Read more at www.hemfosa.se.

This constitutes information that Hemfosa Fastigheter AB (publ) may be legally obliged to publish under the Securities Market Act and/or the Financial Instruments Trading Act. The information was issued for publication on November 18, 2014 at 5.45 p.m. (CET).

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