

## Press release

Nacka April 1, 2015

*The English text is an unofficial translation of the Swedish original and in case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*

## Notice to attend the Annual General Meeting 2015 in Hemfosa Fastigheter

**The shareholders of Hemfosa Fastigheter AB (publ) ("Hemfosa") are hereby invited to the Annual General Meeting on Thursday 7 May 2015 at 3.00 p.m. CET at Hotel Rival, Mariatorget 3, in Stockholm, Sweden. Entry to the Annual General Meeting will commence at 2.00 p.m. CET.**

### NOTIFICATION ETC.

Shareholders who wish to attend the Annual General Meeting

shall be entered in the share register maintained by Euroclear Sweden AB on Thursday 30 April 2015,

shall give notice of their attendance no later than on Thursday 30 April 2015. Notification shall be submitted in writing to the address Hemfosa Fastigheter AB (publ), c/o Euroclear Sweden AB, "Annual General Meeting 2015", Box 191, 103 98 Stockholm, Sweden, or by telephone to +46 (0)8-402 92 96. Notification can also be made via Hemfosa's website, [www.hemfosa.se](http://www.hemfosa.se). The notification shall state name, personal identification number or company registration number, address, telephone number and accompanying advisors, if any (not more than two).

Shareholders whose shares are registered in the name of a nominee must temporarily re-register the shares in their own name in order to be entitled to attend and vote at the Annual General Meeting. Such re-registration must be effected with Euroclear Sweden AB on Thursday 30 April 2015, which means that the shareholder must inform its nominee well before this date.

Shareholders attending by proxy or a representative should send powers of attorney in original, certificates of incorporation and any other documents of authorisation to the company at the address above well before the Annual General Meeting. A template proxy form is available on the company's website, [www.hemfosa.se](http://www.hemfosa.se). Shareholders cannot vote or in other ways attend the Annual General Meeting by remote access.

### PROPOSED AGENDA

1. Opening of the meeting
2. Election of Chairman of the meeting
3. Preparation and approval of the voting register
4. Election of one or two persons to check and verify the minutes
5. Determination of whether the meeting has been duly convened
6. Approval of the agenda

7. Presentation of the annual report and the auditor's report and the consolidated financial statements and the auditor's report for the group
8. Presentation by the CEO
9. Report by the Chairman of the Board on the work of the Board
10. Resolutions regarding
  - a) adoption of the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet,
  - b) disposition of the company's result in accordance with the adopted balance sheet, and
  - c) whether the Board members and the CEO should be discharged from liability
11. Determination of remuneration to be paid to the Board members and the auditor
12. Election of Board members and auditor
13. Resolution regarding amendments to the articles of association
14. Resolution regarding a share split (2:1)
15. Resolution regarding authorisation for the Board to resolve upon new issue of preference shares
16. Resolution regarding guidelines for remuneration to the senior executives
17. Closing of the meeting

## **PROPOSED RESOLUTIONS**

### *Item 2 – Election of Chairman of the meeting*

The nomination committee proposes that Wilhelm Lüning, member of the Swedish Bar Association, is elected Chairman of the Annual General Meeting.

### *Item 10 b – Resolution regarding disposition of the company's result in accordance with the adopted balance sheet*

The Board of Directors proposes that the meeting resolves that, until the next Annual General Meeting, a dividend to the shareholders of ordinary shares shall be paid in a total amount of SEK 6.00 per ordinary share, with quarterly payments of SEK 1.50 per ordinary share. After completion of the share split 2:1, the resolution entails that each ordinary share will entitle to a dividend of a total amount of SEK 3.00, with quarterly payments of SEK 0.75. Proposed record days for the quarterly dividends on the ordinary shares are 11 May 2015, 10 July 2015, 10 October 2015 and 10 January 2016. In the event that such day is not a banking day, the record day shall be the immediately preceding banking day. The dividend payments on the ordinary shares are estimated to be distributed by Euroclear Sweden AB on the third banking day after each record day.

The Board further proposes that the meeting resolves that, until the next Annual General Meeting, a dividend to the shareholders of preference shares shall be paid in a total amount of SEK 20.00 per preference share, with quarterly payments of SEK 5.00 per preference share. After completion of the share split 2:1, the resolution entails that each preference share will entitle to a dividend of a total amount of SEK 10.00, with quarterly payments of SEK 2.50. Proposed record days for the quarterly dividends on the preference shares are 10 July 2015, 10 October 2015, 10 January 2016 and 10 April

2016. In the event that such day is not a banking day, the record day shall be the immediately preceding banking day. The dividend payments on the preference shares are estimated to be distributed by Euroclear Sweden AB on the third banking day after each record day.

The proposed record days for dividends are conditional upon the Annual General Meeting resolving to amend the articles of association in accordance with the Board's proposal pursuant to item 13 (B) below. If the condition is not fulfilled, the record days for quarterly dividends on the ordinary shares shall be 11 May 2015, 20 July 2015, 20 October 2015 and 20 January 2016 and for the preference shares 20 July 2015, 20 October 2015, 20 January 2016 and 20 April 2016.

The Board further proposes that the Annual General Meeting resolves that all new preference shares which may be issued by the Board pursuant to the authorisation according to item 15 below, shall confer a right to dividends in accordance with the above as from the day on which they are entered in the share register maintained by Euroclear Sweden AB.

The Board proposes that the remaining profits are carried forward.

#### *Item 11 – Determination of remuneration to be paid to the Board members and the auditor*

The nomination committee proposes that an annual remuneration of SEK 350,000 (unchanged) shall be paid to the Chairman of the Board and that SEK 175,000 (unchanged) shall be paid to each of the other Board members elected by the Annual General Meeting who are not employed by the company. The nomination committee has further proposed that an annual remuneration of SEK 60,000 (previously SEK 50,000) shall be paid to the Chairman of the audit committee and that an annual remuneration of SEK 35,000 (previously SEK 30,000) shall be paid to each of the other members of the audit committee. No remuneration will be paid for work in the remuneration committee. The nomination committee's proposals entail that the total remuneration to the Board, including remuneration for committee work, amounts to SEK 1,355,000 (previously SEK 1,335,000). Provided that it is cost neutral for the company, remuneration may be invoiced by a Board member through a wholly-owned company.

The nomination committee proposes that remuneration to the company's auditor shall be paid in accordance with approved invoices.

#### *Item 12 – Election of Board members and auditor*

The nomination committee proposes that the Board of Directors shall consist of seven ordinary members and that Bengt Kjell, Anneli Lindblom, Caroline Sundewall, Daniel Skoghäll, Jens Engwall, Magnus Eriksson and Ulrika Valassi are re-elected as Board members for the period until the end of the next Annual General Meeting, and that no deputy directors are elected.

The nomination committee further proposes that Bengt Kjell is re-elected as Chairman of the Board.

A report on the nomination committee's proposals and further information regarding the proposed Board members is available on the company's website, [www.hemfosa.se](http://www.hemfosa.se).

The nomination committee further proposes that the registered accounting firm KPMG AB is re-elected as auditor for the period until the end of the next Annual General Meeting. KPMG AB will, if elected, appoint Björn Flink to be auditor in charge.

*Item 13 – Resolution regarding amendments to the articles of association*

The Board of Directors proposes that the Annual General Meeting resolves to amend the articles of association as set out below.

- (A) In order to adjust the articles of association according to the proposed share split (2:1) in item 14 below, the Board proposes that the meeting resolves to adopt new articles of association entailing that the limitations regarding the number of shares in article 5 are being amended to be no less than 100,000,000 and no more than 400,000,000 shares, and that articles 6-8 are being amended for consistency. This entails that the total dividend per preference share will be SEK 10.00 per year and as regards the rights conferred to the preference shares in relation to redemption of preference shares and distribution of assets in the event of dissolution of the company, the current percentage rates in these articles are amended to be specified amounts which have been adjusted in proportion to the proposed share split. In addition, the wording of article 7 (redemption of preference shares) is being clarified so that it is explicitly stated that all calculation of interest ceases on the day when the redemption amount falls due for payment.

The resolution to amend the articles of association as set out above is conditional upon the Annual General Meeting resolving on a share split of the company's shares pursuant to item 14 below.

- (B) The Board further proposes that the Annual General Meeting resolves to amend article 6 of the articles of association regarding the record days for dividends on preference shares to 10 January, 10 April, 10 July and 10 October (previously 20 January, 20 April, 20 July and 20 October).

The Board proposes that the CEO, or any person appointed by the CEO, shall be authorised to make the minor adjustments in the above resolutions as may be required in connection with the registration thereof.

*Item 14 – Resolution regarding a share split (2:1)*

The Board of Directors proposes that the Annual General Meeting resolves on a share split whereby one existing share in the company is divided into two shares of the same share class (share split 2:1).

After completion of the share split the number of shares in the company will increase from 70,720,104 shares to 141,440,208 shares, of which 131,440,208 are ordinary shares and 10,000,000 are preference shares. Following the share split, each share will have a quota value of SEK 0.50.

The Board proposes that the Board shall be authorised to determine the record day for the share split, which as of the day of the notice is estimated to be 19 May 2015. The record day may however

not be determined so that it occurs prior to registration of the resolution regarding the share split with the Swedish Companies Registration Office.

The Board proposes that the CEO, or any person appointed by the CEO, shall be authorised to make the minor adjustments in the above resolution as may be required in connection with the registration thereof.

*Item 15 – Resolution regarding authorisation for the Board to resolve upon new issue of preference shares*

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board to, at one or more occasions for the period until the end of the next Annual General Meeting, with or without deviation from the shareholders' preferential right, resolve upon a new issue of preference shares to the extent that such new issue can be made without amending the articles of association. The total number of preference shares that may be issued pursuant to the authorisation may not exceed 5,000,000 (prior to the proposed share split). After completion of the share split 2:1, the resolution entails that the total number of preference shares that may be issued pursuant to the authorisation may not exceed 10,000,000. Such new preference shares shall be issued at a subscription price corresponding to market terms and payment can be made, in addition to payment in cash, by assets contributed in kind or by set-off, or subject to other terms and conditions.

The purpose of the authorisation, and the reason for any deviation from the shareholders' preferential right, is that the Board shall be able to resolve on new issues in order to finance acquisitions of real property or real property companies, or part of real property or real property companies, or in order to finance continued growth in the company in other ways.

The Board proposes that the CEO, or any person appointed by the CEO, shall be authorised to make the minor adjustments in the above resolution as may be required in connection with the registration thereof.

*Item 16 – Resolution regarding guidelines for remuneration to the senior executives*

The Board of Directors proposes that the Annual General Meeting resolves on the following guidelines for remuneration to the company's senior executives.

Hemfosa shall apply the remuneration levels and employment terms necessary in order to attract and retain a highly competent management with capacity to achieve the set goals. The forms of remuneration shall motivate the senior executives to do their utmost to safeguard the shareholders' interests.

Accordingly, the remuneration structure shall be in line with market terms and be competitive. It shall also be simple, long-term and measurable. The remuneration to senior executives may comprise a fixed and variable part. The fixed salary for senior executives is to be adapted to market conditions and based on competence, responsibility and performance. A variable part shall reward results clearly linked to targets and improvements in simple and transparent structures and shall be maximised. Any outcome must relate to the fulfilment of pre-determined goals with respect to results, cash flow and growth. Variable remuneration to each senior executive shall not exceed four

months' salary and shall not entitle to pension benefits. The variable salary for all senior executives in the group, taken as a whole, may not exceed a total of SEK three million.

Senior executives may be offered incentive schemes which shall primarily be share based or related to the share price. Any incentive scheme must ensure long-term commitment to the company's development and be implemented on market terms. Share based incentive schemes and incentive schemes related to the share price shall be resolved by the general meeting of shareholders. Senior executives' non-monetary benefits shall facilitate the work of the senior executives and correspond to what may be deemed reasonable in relation to standard practices in the market in which each senior executive is active.

The terms for pension benefits for senior executives will be based on defined contribution pension plans and comply with or correspond to general pension plans, the ITP1 plan in Sweden. Salary during the notice period upon termination and severance pay for a senior executive is not to exceed a total of 18 months' salary, if the company terminates the employment and six months if the senior executive resigns. In this connection, senior executives are defined as the CEO, CFO, COO and other members of the group executive management. However, regarding the right and possibility to receive variable remuneration according to above, the group's CEO, CFO and COO are excluded, to whom no variable remuneration shall be payable.

The Board shall be entitled to deviate from the guidelines for remuneration to senior executives set out above if there are special reasons in an individual case. In such a case, the Board shall give an account for the reason for the deviation from the guidelines for remuneration to senior executives at the next Annual General Meeting.

## **MISCELLANEOUS**

### **Shares and votes**

As of the date of this notice, there is a total number of 70,720,104 shares in Hemfosa, of which 65,720,104 are ordinary shares carrying one vote per share and 5,000,000 are preference shares, carrying one-tenth of a vote per share, corresponding to a total number of 66,220,104 votes in the company. The company does not hold any own shares.

### **Majority requirements**

The resolutions under items 13 and 15 are valid only if supported by shareholders holding not less than two-thirds of both the votes cast and the shares represented at the Annual General Meeting.

### **Shareholders' right to request information**

The Board of Directors and the CEO shall, if any shareholder so requests and the Board believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda, circumstances that can affect the assessment of the company's or its subsidiaries' financial situation and the company's relation to other companies within the group and the consolidated accounts.

## Documentation

The financial accounts and the auditor's report, the auditor's report regarding whether the previously adopted guidelines for remuneration to the senior executives have been complied with, the complete proposals for resolutions according to above together with thereto related documents such as the reasoned statement of the Board pursuant to Chapter 18 Section 4 of the Swedish Companies Act (2005:551) and the articles of association in the proposed new wording will be available at the company's premises at the address Hästholmsvägen 28 in Nacka, Sweden, and at the company's website, [www.hemfosa.se](http://www.hemfosa.se), no later than on Thursday 16 April 2015 and will be sent, without costs, to those shareholders who so request and state their address. All of the above mentioned documents will be presented at the Annual General Meeting.

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Nacka, March 2015  
HEMFOSA FASTIGHETER AB (PUBL)  
*The Board of Directors*

## Other information

Schedule for the Annual General Meeting:

2.00 p.m. CET - The doors open for shareholders.

3.00 p.m. CET – The Annual General Meeting commences.

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*This constitutes information that Hemfosa Fastigheter AB (publ) is legally obliged to publish under the Securities Market Act and/or the Financial Instruments Trading Act. The information was issued for publication on 1 April, 2015 at 7.30 a.m. (CET).*

## About Hemfosa Fastigheter

Hemfosa is a Swedish real estate company with a well-balanced and geographically diversified property portfolio focusing on community service properties with the State and municipalities as the largest tenants. This provides stable cash flows and a healthy yield. In order to create value, Hemfosa also aims to actively participate in the transaction market. At December 31, 2014, Hemfosa owned commercial properties in Sweden with a total property value of approximately SEK 27 billion, including the company's share of the property value of joint ventures. The company's common share has been listed since March 2014 and the preference share since December 2014, both on Nasdaq Stockholm. Read more at [www.hemfosa.se](http://www.hemfosa.se).

### **Hemfosa Fastigheter AB (publ)**

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