

Press release, 26/10/2018

Atrium Ljungberg exchanging property with Folksam Fastigheter

Property company Atrium Ljungberg has today concluded an agreement to acquire the Tranbodarne 11 property, better known as KF-huset, from Folksam Fastigheter. The property is located at Slussen in Stockholm. Atrium Ljungberg will also take over a building right located in front of the property. In conjunction with the transaction, Atrium Ljungberg is selling the Blästern 6 property in Hagastaden and the Roddaren 7 property on Kungsholmen in Stockholm to Folksam Fastigheter.

The KF-huset property is located right next to the Stadsgården wharf at Slussen. Atrium Ljungberg already owns neighbouring Glashuset and Sjömansinstitutet, which together have approximately 26,000 m² letting area in total. The company also has a land allocation for a development right consisting of 18,000 m² GFA at the Stadsgården wharf in front of Glashuset. In spring 2018, an agreement was signed with the City of Stockholm to develop Mälarterrassen at Slussen.

“KF-huset is a fantastic property with strong roots in Stockholm. The acquisition reinforces our position on Södermalm as well as our opportunities to be part of Slussen’s development. We want to create great cohesiveness at the site, where different activities reinforce one another. The aim is for Slussen to become a vibrant meeting place for everyone in Stockholm,” says Monica Fallenius, Business Area Director, Transactions and Leasing, Atrium Ljungberg.

The property will undergo refurbishment and modernisation. Attractive and modern office space with public-access ground floors are being planned. In conjunction with the refurbishment, Atrium Ljungberg is also looking into the possibility of developing a link to the future retail hub and public transport hub at Slussen.

“The deal is strategically right for both parties. With Folksam Fastigheter’s management focus, the fully developed Blästern 6 and Roddaren 7 properties are positive from a long-term perspective. We, on the other hand, are acquiring a property and a building right that we can develop based on our project expertise, thus helping to generate additional added value for Slussen as a whole,” says Annica Ånäs, CEO, Atrium Ljungberg.

The KF-huset property comprises just over 22,000 m² letting area, and the building right comprises 7,500 m² GFA. The transaction will be conducted through a company sale, where the underlying property value is SEK 1,530 million. The property is almost fully let, and has a rental value of SEK 65 million. Atrium Ljungberg will take possession of the property on 1 November 2018.

At the same time, the Blästern 6 property in Hagastaden and the Roddaren 7 property on Kungsholmen in Stockholm will be divested. The properties comprise 32,250 m² letting area, and the rental value for the two properties is SEK 105 million. The transaction will be conducted through company sale, where the underlying value of the two properties is SEK 2,175 million. The

sale will yield a profit after tax of approximately SEK 245 million for the Atrium Ljungberg Group. SEK 170 million will be attributed to deferred tax and be reported in the accounts for the fourth quarter of 2018.

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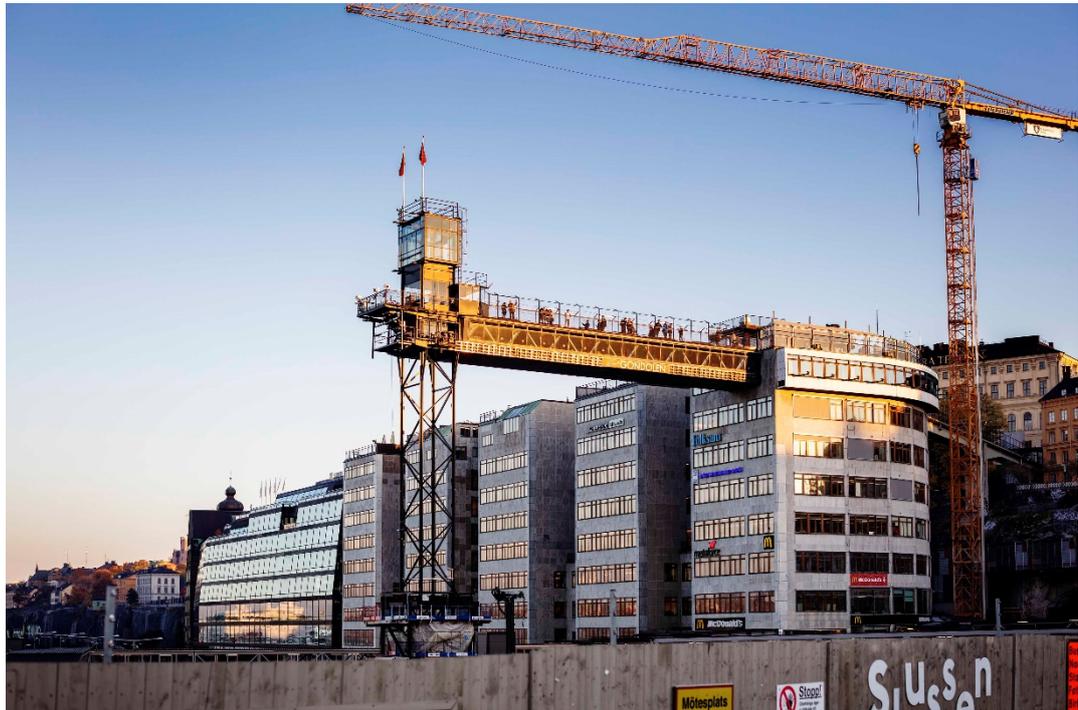


Photo: Martin Kelam

Atrium Ljungberg is one of Sweden's biggest listed property companies. We own, develop and manage properties in growth markets in Stockholm, Gothenburg, Malmö and Uppsala. Our focus is on developing attractive urban environments for offices and retail, supplemented with residential, culture, service and education. The total letting area is approximately one million square metres, distributed among around fifty properties and valued at SEK 43 billion. Our retail hubs draw 60 million visitors on an annual basis and our areas include more than 30,000 workers and students as well as 1,000 residents. Our project portfolio will enable us to invest the equivalent of approximately SEK 14 billion in the future. Atrium Ljungberg is listed on the NASDAQ Stockholm Large Cap list. Find out more at www.al.se