

Press release

19 June 2014

Kungsleden extends the duration of its borrowings and reduces the cost of debt

Kungsleden has conducted an early refinancing of its existing syndicated bank credit facility comprising a loan amount of SEK 4.5 billion (including unutilized amounts) with an original maturity date in January, 2015. The new credit facility which has a five year duration and matures in June, 2019, reduces the cost of debt compared to the previous facility.

As an adjunct to this facility, Kungsleden has procured an additional SEK 2 billion in committed credit lines with a three year duration, maturing in June, 2017. This additional facility is intended for the funding of property acquisitions and investments into the existing property portfolio.

Through the new credit facilities, Kungsleden has secured bank financing of a total amount of SEK 6.5 billion with an annual reduction in the cost of debt (including fees for the increased committed amount) of close to SEK 22 m at today's level of utilized debt. As a result of the refinancing operation, the average maturity of Kungsleden's overall borrowings will increase to 3.1 years from 2.1 years as per March 31st..

"With this financing exercise, Kungsleden achieves several interim targets included in its financial strategy. We extend the average duration of our borrowings, we achieve a more balanced maturity profile, and we reduce the cost of debt significantly six months ahead of time. Our average cost of debt goes down to 5.1 per cent as of July 1st when the new facility starts", says Anders Kvist, Deputy Managing Director and CFO of Kungsleden.

The lenders in the credit facility are Danske Bank, Nordea AB (publ), Skandinaviska Enskilda Banken AB (publ) and Swedbank AB (publ) with Skandinaviska Enskilda Banken AB (publ) acting as Facility and Security Agent.

For more information, please contact:

Anders Kvist, Deputy CEO and CFO of Kungsleden | +46 (0)8 503 052 11

anders.kvist@kungsleden.se

Fredrik Sandell, Head of Funding | +46 8 503 052 95 | fredrik.sandell@kungsleden.se

Detta pressmeddelande finns tillgängligt på svenska på www.kungsleden.se/pressmeddelanden

Kungsleden AB (publ) discloses the information in this press release according to the Swedish Securities Markets Act and/or the Swedish Financial Trading Act. The information was provided for public release on 19 June 2014 at 9:00 a.m.

Kungsleden's business concept is to own, manage and improve commercial properties in growth regions in Sweden and to deliver attractive total returns. Kungsleden's strategies to create value are based on meeting the premises requirements of customers by managing, improving and developing properties and planning consents and by optimising the company's property portfolio. Kungsleden has been quoted on NASDAQ OMX Stockholm since 1999.