

Press release

Nacka, 24 February 2014

Hemfosa Fastigheter AB confirms intention to proceed with initial public offering (IPO) and listing on NASDAQ OMX Stockholm

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN AUSTRALIA, CANADA, THE HONG KONG SPECIAL ADMINISTRATIVE REGION OF THE PEOPLE'S REPUBLIC OF CHINA, JAPAN OR SOUTH AFRICA.

The Board of Directors of Hemfosa Fastigheter AB ("Hemfosa") confirms its intention to proceed with an IPO of Hemfosa and listing on NASDAQ OMX Stockholm. Subject to receiving the relevant corporate and regulatory approvals as well as prevailing market conditions, the IPO is expected to price in March 2014.

"The planned IPO is an important milestone for Hemfosa in our effort to create a long-term strong platform for future growth. A listing of Hemfosa would also provide better access to capital markets and generate a broader base of Swedish and international investors", says Jens Engwall, CEO of Hemfosa.

The IPO will comprise new shares to be issued by Hemfosa and existing shares to be sold by a group of Swedish institutional investors. The shares are intended to be offered to institutional investors in Sweden and internationally and in a retail offering to the public in Sweden.

Hemfosa is targeting gross proceeds of approximately SEK 500-950 million depending on greenshoe exercise and the price for the issued shares. Hemfosa intends to use the net proceeds received by it for further property acquisitions. Total deal size is estimated to amount to approximately SEK 3.8 billion.

Skandinaviska Enskilda Banken (SEB) and Swedbank have been retained as Joint Global Co-ordinators and Joint Lead Bookrunners of the IPO.

For further information please contact:

Bengt Kjell, COB, mobile: +46 705 94 5398

Jens Engwall, CEO, jens.engwall@hemfosa.se, mobile: +46 706 90 6550

Hemfosa Fastigheter

Hemfosa is a Swedish property company with a property portfolio characterized by a balanced geographic spread and a high proportion of community service properties with the government and municipalities as the largest tenants. This generates stable revenue flows and a healthy yield. Hemfosa also aims to create value by actively participating in the transaction market. Hemfosa owns commercial properties in Sweden with a total property value of approximately SEK 16 billion. Hemfosa is owned by institutional investors and the company's employees.

Hemfosa Fastigheter AB (publ)

Street address Hästholmsvägen 28 Nacka | **Telephone** +46 8 448 04 80

Postal address Box 2020, 131 02 Nacka, Sweden | **Fax** +46 8 448 04 81 | www.hemfosa.se

Important notice

This announcement is not an offer to sell or a solicitation of any offer to buy any securities issued by Hemfosa Fastigheter AB (the “Company”) in any jurisdiction where such offer or sale would be unlawful and the announcement and the information contained herein are not for distribution or release, directly or indirectly, in or into such jurisdictions.

In any EEA member state, other than Sweden, that has implemented Directive 2003/71/EC as amended (together with any applicable implementing measures in any member state, the “Prospectus Directive”), this communication is only addressed to and is only directed at qualified investors in that member state within the meaning of the Prospectus Directive.

Any securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. Any securities sold in the United States will be sold only to qualified institutional buyers (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A.

This announcement does not constitute a prospectus and nothing herein contains an offering of securities. No one should purchase or subscribe for any securities in the Company, except on the basis of information in any prospectus published by the Company in connection with the potential offering and admission of such securities to trading and official listing on NASDAQ OMX Stockholm. Copies of any such prospectus will, following publication, be available on the website of the Company.

Matters discussed in this release may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and that can be identified by words such as “believe”, “expect”, “anticipate”, “intends”, “estimate”, “will”, “may”, “continue”, “should”, and similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The information, opinions and forward-looking statements contained in this release speak only as at its date, and are subject to change without notice.

Hemfosa Fastigheter AB (publ)

Street address Hästholmsvägen 28 Nacka | **Telephone** +46 8 448 04 80

Postal address Box 2020, 131 02 Nacka, Sweden | **Fax** +46 8 448 04 81 | www.hemfosa.se