

Press release

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Heimstaden Bostad issues hybrid capital

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Heimstaden Bostad AB, a subsidiary of Heimstaden AB, issues EUR 800 million of subordinated perpetual hybrid capital securities in the European debt capital markets. The hybrid has an annual, fixed rate, coupon of 3.25% and a non-call period of 5.25 years.

S&P has classified the hybrid as having intermediate equity content. The proceeds will be accounted for as 100% equity by Heimstaden Bostad and will be used for general corporate purposes.

“We are very pleased with the continued support demonstrated by European investors in Heimstaden Bostad. The order book of more than EUR 1.6 billion is as far as we know the largest real estate hybrid order book this year in Europe. The transaction represents an important milestone in our ambitions to improve our rating in a first step to BBB”, says Magnus Nordholm, acting CFO Heimstaden Bostad.

The bonds will be listed in Euronext Dublin.

Danske Bank, Deutsche Bank, J.P. Morgan and Nordea acted as Joint Structuring Agents and Joint Bookrunners.

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Heimstaden is a leading real estate company in Northern Europe, with a focus on acquiring, refining, developing and managing housing and premises. Through our values, thoughtfulness, innovation and authenticity, we create values for our owners and caring homes for our tenants. Heimstaden has about 52,300 apartments and a property value of approximately SEK 108 billion value. Heimstadens preference share is listed on Nasdaq First North Premier. The head office is located in Malmö. Certified Adviser is Erik Penser Bank aktiebolag, +46 8-463 83 00 and certifiedadviser@penser.se. For more information, see www.heimstaden.com
