

Press release

18 december 2019

Folksam and KPA Pension becomes owners in Heimstaden Bostad AB

Folksam group, Folksam Liv, Folksam Sak and KPA Pension (“Folksam Group”) will become new owners after subscribing to approximately 4 bSEK of a cash rights issue to be made on the 7th of January 2020. The remaining part of the 7,2 bSEK rights issue is subscribed by Heimstaden Investment AB.

The new shareholder agreement signed for Heimstaden Bostad in October opened up for bringing in new institutional investors to participate in the European expansion of Heimstaden Bostad. In this process Folksam group was early into the process and have decided to invest parallel to the other institutional investors Alecta and the pensionschemes of Ericsson and Sandvik.

Folksam group will after the subscription be the second largest institutional investor in Heimstaden Bostad. The Folksam Group will after the share-issue own 7% of the capital of Heimstaden Bostad AB

“We have for some time looked for a residential platform and after having met with management and done a thorough due diligence on the company and its business plan we came to the conclusion that this was an investment that suited us well. We look forward to work tightly with management and the other owners of Heimstaden Bostad in order to reach the high ambitions of the company” says Michael Kjeller, Head of asset management and sustainability at the Folksam Group.

As a consequence of the investment the board of directors will as from 7th of January 2020 be expanded by 2 members. Birgitta Stenmark, Head of Alternative Investments, and representing Folksam group and Karmen Mandic, Chief Communications and Marketing Officer, representing Heimstaden Investment.

“We are extremely pleased to welcome Folksam group as new partners and that they see the quality of our portfolio, operations and management. Heimstaden Bostad has high ambitions when it comes to growing both the size and quality of the portfolio and the operations and the new ownership structure clearly supports these

ambitions. This marks a great end to a great year, although more can still come before we close the books..... ”, says Patrik Hall, CEO Heimstaden Bostad AB

After the share issue, and the property acquisitions from Alecta and Heimstaden in Sweden, Denmark Norway and Germany that was mentioned in the pressrelease on the 25th of October 2019 to be under letter of intent the company will have a proforma net debt to net debt plus equity of approximately 46% and an available liquidity, including committed credit facilities, of 25 bSEK.

J.P Morgan Securities and DLA Piper have acted as financial and legal advisors to Heimstaden Bostad AB. Legal, tax and financial due diligence have been performed by DLA Piper and PWC.

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Heimstaden Bostad is a leading real estate company in Northern Europe with focus on acquiring, refining, developing and managing residential real estate. Through our values, thoughtfulness, innovation and authenticity, we create values for our owners and caring homes for our tenants. Heimstaden Bostad owns approximately 41,300 apartments and a property value of approximately SEK 90 billion. The head quarters is located in Malmö, Sweden. For more information visit www.heimstadenbostad.com

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