

Press release, 25 January 2019

## Atrium Ljungberg signs an agreement with the City of Stockholm for an acquisition in the Slakthus area

Today the Board of Atrium Ljungberg took the decision to sign an agreement with the City of Stockholm to acquire existing properties and land allocations in the Slakthus area, just south of Stockholm city centre. The agreement is based on the letter of intent that was presented in August 2018. The negotiations were held in the autumn and are now complete.

The existing properties will be acquired in two phases, where access to 51,000 m<sup>2</sup> of letting area is expected in June 2019 with an option for 32,000 m<sup>2</sup> of letting area once a new detail development plan has come into force, but no later than 31 December 2021. This deal also includes options that enable Atrium Ljungberg to order land allocations of approximately 100,000 m<sup>2</sup> GFA. The acquisitions and land allocations that have been developed comprise a total of approximately 200,000 m<sup>2</sup> GFA for offices and residential units, alongside culture, retail/restaurants, hotel, education, etc. The total investment amounts to approximately SEK 8 billion between 2019 and 2030.

In order for the vision for the Slakthus area to come to fruition, the agreement with the City of Stockholm includes a commitment to relocate any tenants that require new premises.

The initial acquisition comprises 51,000 m<sup>2</sup> of letting area and a rental value of SEK 73 million. The current letting rate is 95 per cent. The properties that form part of this acquisition include culturally significant buildings in the northern part of the Slakthus area. The purchase price is based on an underlying property value of SEK 1,120 million. Possession is expected to take place in the second quarter of 2019. The deal is being struck through a company acquisition.

The Slakthus area is one of the City of Stockholm's largest urban development projects in modern times. Construction start is scheduled for the first quarter of 2021, and work will last until 2030. The aim of this new Slakthus area is to create an attractive city district that is vibrant around the clock. This is why offices are being added in this city district for large, established companies alongside start-ups that focus on the new business entrepreneurs and creators. In addition to workplaces, restaurants and culture, housing will be added to the area with a mix of both tenant-owned dwellings and rentals in a range of apartment sizes.

*"I'm happy that we've come so far with this deal, which is the largest in Atrium Ljungberg's history. We're looking forward to getting underway with the development of the Slakthus*

*area. Our vision is to create an obvious meeting place and for this to be a driving force for the entire Söderort suburban area,” says Annica Ånäs, CEO of Atrium Ljungberg.*

*“This deal marks a major and important step forward for the city. This is an opportunity to create a varied and vibrant city district, with Atrium Ljungberg leading the process forward from these early stages far into the future. This agreement forms the foundation for a long-term development of the Slakthus area,” says Johan Castwall, Director of Administration at Exploateringskontoret.*

The agreement requires decisions from the Development and Property Committees in Stockholm City and the Board of Directors of St Erik Markutveckling AB. All of these decisions are planned for February 2019. The acquisition is conditional on the approval of Stockholm City Council, which is planned in May. Atrium Ljungberg is scheduled to take over as the property owner at the beginning of June 2019.

The company will report on the deal and the vision for the Slakthus area on Atrium Ljungberg’s capital market day on 15 February.

Nacka, 25 January 2019

**Atrium Ljungberg AB (publ)**

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This information is such that Atrium Ljungberg AB is obliged to make it public pursuant to the EU’s Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above on 25 January at 10.15 CET.

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**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](http://www.al.se)