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Blackstone enters into agreements to acquire a major stake in D. Carnegie & Co.

London/Stockholm, July 15, 2016

Blackstone Real Estate Partners Europe IV and Blackstone Real Estate Partners VIII (jointly “Blackstone”), through its entity Vega Holdco Sarl, have at 08.00 AM this morning entered into agreements with three of D. Carnegie & Co.’s largest shareholders Kvalitena AB (“Kvalitena”), Svensk Bolig Holding AB (“SBH”), and Frasdale Int. BV (“Frasdale”) to acquire part of or all of their shareholdings, subject to certain conditions, at a price of SEK 100.00 per share.

Blackstone views the transaction as an opportunity to invest in a leading, high-quality, Swedish property company with a unique business model.

James Seppala, Head of European Real Estate Acquisitions at Blackstone, said:

“D. Carnegie & Co. has a proven business model and an excellent history of social engagement. We look forward to working with D. Carnegie & Co’s management and its larger stakeholders in continuing to develop the business in line with its current strategy. Blackstone’s financial resources and global real-estate expertise will complement the existing business.”

Blackstone will ultimately acquire 100% of SBH's shares, 75% of Kvalitena’s shares, and 45% of Frasdale’s shares such that the total amounts acquired represent 40% of the voting rights and 32% of the share capital in D. Carnegie & Co. In addition, following completion of the transactions, Kvalitena and Frasdale have agreed to Blackstone exercising the voting rights of their remaining shares in D. Carnegie & Co. This will result in Blackstone controlling a total of 53% of the voting rights in D. Carnegie & Co. The transactions will, if completed, eventually result in Blackstone passing the threshold for a mandatory offer obligation. Blackstone will revert with further information regarding a possible mandatory tender offer in connection with the completion of the transactions.

The completion of the three transactions is subject to customary merger clearance and certain other third party approvals. Subject to these conditions, the completion of the three purchases is expected to occur no later than by the end of October 2016.

Blackstone has received certain information from the company that is included in D. Carnegie & Co’s financial report for the second quarter of 2016 which was announced at 07.00 AM this morning.

Bank of America Merrill Lynch and Leimdörfer acted as financial advisers and Roschier acted as legal adviser to Blackstone on the transactions.

For additional queries, please contact:

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About Blackstone Real Estate

Blackstone is a global leader in real estate investing. Blackstone's real estate business was founded in 1991 and has over \$100 billion in investor capital under management. Blackstone's real estate portfolio includes hotel, office, retail, industrial and residential properties in the US, Europe, Asia and Latin America. Major holdings include Hilton Worldwide, Invitation Homes (which manages nearly 50,000 single-family homes in the United States), LivCor (which manages over 36,000 multi-family units in the United States), Logisor (pan-European logistics), SCP (Chinese shopping malls), and prime office buildings in the world's major cities.