

Press release

December 19, 2016

Hemfosa acquires community service properties in Finland and Sweden for a total value of approximately MSEK 255

Hemfosa is continuing to establish its presence in Finland and is acquiring a community service property in Turku at an underlying property value of about MSEK 158. The company will acquire three properties in Sweden at an underlying property value of MSEK 98. The bulk of Hemfosa's operations are currently based in Sweden and the company has a growing property portfolio in Norway and Finland.

Acquisition in Finland

The transaction in Turku comprises a property located in the center of the city comprising a total leasable area of 6,863 sqm. The property is fully leased with Turku Municipality as a tenant. The lease extends for about 17 years and the annual rental income is approximately MSEK 12. The property is currently being completely refurbished and is expected to be ready on January 1, 2017. The seller is Turku Technology Properties Ltd.

Acquisitions in Sweden

The acquisitions in Sweden comprise three school properties – two in Falkenberg and one in Älmhult, at an underlying property value of about MSEK 98 and a total leasable area of 4,164 sqm. The properties are fully leased to mainly school operators, with Thoren Framtid AB as the largest tenant. The average lease extends for about 12 years and the annual rental income is approximately MSEK 8.

“We are pleased to complete further acquisitions of high-quality community service properties with established tenants and long leases. It is particularly gratifying that we are taking the next step in the Finnish market, where we made our first acquisition one year ago and have now established our own presence. We are positioned to make further acquisitions in all three of our markets,” comments Stina Lindh Hök, Head of Transactions at Hemfosa.

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About Hemfosa Fastigheter

Hemfosa is a Swedish property company focusing on community service properties in the Nordic region with its largest tenants being the Swedish state and municipalities. This provides stable cash flows and a healthy yield. In order to create value, Hemfosa also aims to actively participate in the transaction market. As per September 30, 2016, Hemfosa owned properties with a total property value of approximately SEK 36.7 billion, including the company's share of the property value in joint ventures. Hemfosa's common share has been listed since March 2014 and Hemfosa's preference share since December 2014, both on Nasdaq Stockholm. Read more at www.hemfosa.se.

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