

Press release

May 9, 2017

Hemfosa Fastigheter acquires a portfolio in Halmstad primarily with community services properties at a value of MSEK 1,066

Hemfosa has signed an agreement to acquire a portfolio of ten properties located centrally in Halmstad for an underlying property value of MSEK 1,066. The majority of rental income is generated from tenants in the community services sector, including the Municipality of Halmstad and the Swedish Tax Agency. Hemfosa sees development opportunities in this property portfolio and it also provides a solid platform for continued growth in the town.

Hemfosa will acquire ten properties from Fem Hjärtan Holding AB, totaling approximately 57,800 sqm, all of which are very centrally located in Halmstad. Most of the portfolio comprises office properties housing tenants in the community services sector, and 66 percent of the portfolio's total rental income is generated from public-sector tenants. The three largest tenants are the Municipality of Halmstad, the Swedish Tax Agency and Halmstad County Administrative Board, which jointly represent 38 percent of rental income.

The total property value is MSEK 1,066. The average remaining lease is 2.0 years and the leasing rate is approximately 90 percent. Possession is scheduled for September 1, 2017.

“We are delighted that Hemfosa is now making another major portfolio acquisition containing a high number of community service properties in Sweden. These properties have prime locations in Halmstad, a town that is growing and evolving and it's a location that we want to expand in. We see many opportunities for developing these properties by increasing leasing to more public-sector operations and the properties also comprise land areas that could be used for new build projects. All in all, it represents a perfect transaction for Hemfosa,” says Stina Lindh Hök, Head of Transactions at Hemfosa.

For further information, please contact:

Stina Lindh Hök, Head of Transactions, stina.lindh.hok@hemfosa.se, mobile +46 70 577 18 85, office +46 8 448 04 80

The information in this press release is such that Hemfosa Fastigheter AB is obligated to disclose in accordance with the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was issued for publication through the agency of the CEO on June 9, 2017 at 11.15 a.m. CET.

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 March 31, 2017, Hemfosa owned properties with a total property value of approximately SEK 35.8 billion. The company's ordinary share has been listed since March 2014, and the preference share since December 2014, both on Nasdaq Stockholm. Read more at www.hemfosa.se.

Hemfosa Fastigheter AB

Visiting address Hästholmsvägen 28, SE-131 02 Nacka, Sweden **Telephone** +46 8 448 04 80
Postal address Box 2020 Nacka, Sweden | **Fax** +46 8 448 04 81