

Castellum wins prestigious city-development project near the Ericsson Globe in Stockholm

Castellum has won Stockholm City's land allocation competition in Söderstaden – an extensive development area south of central Stockholm. This means that Castellum will now embark upon one of its largest and most prestigious city-development projects to date, together with two industry partners.

Castellum, Wallenstam AB and Åke Sundvall AB as a consortium, have been designated winners for their proposal to develop an entirely new city district and meeting place in Söderstaden. The proposal amounts to 100 000 sq.m, of which Castellum answers for 30 000 sq.m. for commercial real estate comprising offices, hotel and restaurant spaces. The remaining part, 70 000 sq.m. is intended for residential buildings as well as hockey-practice rinks. Depending on the final design and volume, and provided that the proposal is carried out, our estimate is that the total investment, after acquisition of building rights and land exploitation, will amount to approximately SEK m 1,200 – 1,400.

“Castellum is one of Sweden's largest real estate companies and 250 000 people go to work in our buildings every day. Our proposal will create 30 000 square metres of modern Stockholm work space. This will be a huge asset for the region and we're proud of contributing to development”, says Henrik Saxborn, Castellum AB CEO.

Castellum and partners are now free to develop the area with an exclusive right to negotiate land allocation with Stockholm City and the subsequent possibility to acquire the zoned property. It is still early days for providing project-schedule details, but the consortium estimates that construction activities will be carried out over a 6-8 year period, with the earliest possible start occurring in 2020.

“A living city district requires a dynamic mix of residences and workplaces. Our contribution at Castellum is to create attractive workplaces, utilizing our knowledge of commercial premises and local markets. Wallenstam AB and Åke Sundvall AB are experienced developers of residential space. Our mutual competence and complementary skills work together to create a city district in the heart of a lively events area”, says Anders Nilsson, Managing Director at Castellum's Stockholm-North Region.

This information is information that Castellum is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out below, at 08:05 am CET on November 24, 2017.

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Castellum is one of the major listed real estate companies in Sweden. The fair value of the real estate portfolio amounts to approx. SEK 77 billion and comprises commercial properties for office, retail, warehouse and logistics with a total lettable area of approx. 4.4 million sq. m.

The real estate portfolio is owned and managed under the Castellum brand through a decentralized organization with strong and clear local presence in 20 cities from Copenhagen in the south to Sundsvall in the north.

In 2017, Castellum's sustainability performance was awarded two top distinctions: First Prize for sustainability reporting in Europe from EPRA and the Global Sector Leader Award from GRESB, which means that Castellum is ranked as number one in the world within the office- and industrial-properties sector. In addition, Castellum has been selected for inclusion in the Dow Jones Sustainability Index (DJSI), which includes international companies noted for outstanding performance in dealing with sustainability issues.

The Castellum share is listed on Nasdaq Stockholm Large Cap.