

Regio acquires portfolio in central Eskilstuna

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Fastighets AB Regio ("Regio") has acquired 14 properties and one leasehold property with a total lettable area of approximately 80,000 square meters in Eskilstuna from Kungsleden. The portfolio comprises primarily city properties in attractive locations. Following the acquisition, Regio becomes the leading private property owner in Eskilstuna.

Regio has entered into an unconditional share purchase agreement regarding the acquisition of a portfolio comprising 14 properties and one leasehold property in Eskilstuna. The seller is Kungsleden, who in connection with the transaction leaves the city. The portfolio has a lettable area of 80,000 square meters and consists primarily of city properties in attractive locations with emphasis on office premises. Large tenants are Coop, Eskilstuna municipality and Sörmland County Council. The portfolio is acquired for an underlying property value of approximately SEK 700 million. Closing will occur on 7 January 2019.

Due to the acquisition Regio, who already owns five properties in central Eskilstuna, becomes the leading private property owner in Eskilstuna. In connection with the acquisition a new cooperation is initiated with Mälarstaden Asset Management AB ("Mälarstaden AM"), who has been assigned responsibility of the assets in line with Regio's established asset management model. Mälarstaden AM is a newly established asset management company with Pontus Rode, previously co-founder of Heimstaden Bostad, as CEO.

Following the acquisition, the property value of Regio's portfolio amounts to approximately SEK 8.5 billion and comprises approximately 470,000 square meters, primarily office premises.

Eric Bergström, CEO Regio and Partner Brunswick Real Estate, says:

"2018 has been an exciting year for Regio, characterised by several strategically important acquisitions. Now, when we acquire all of Kungsleden's properties in Eskilstuna, we strengthen our position in the city and become the leading private property owner in a strong regional city. Due to the central location of the assets, in combination with our current holdings, we see large development opportunities. Together with Mälarstaden AM, we therefore aim to continue the development of the assets and immediately initiate a major investment program. We are convinced that an active asset management and city development with emphasis on sustainability are vital factors for the growth of a city."

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Fastighets AB Regio ("Regio") is a property company focusing on office and retail properties in growing regional cities. The objective is to create a property portfolio with stable long-term returns through active and local asset management. The company currently holds a portfolio comprising 470,000 square meters office and retail premises. The company is majority-owned by the Third National Swedish Pension Fund and managed by Brunswick Real Estate.

www.regiofastigheter.se

The Third Swedish National Pension Fund ("AP3") is one of five buffer funds within the Swedish public pension system. AP3's buffer capital currently comprises 15% of the pension system's assets.

www.ap3.se

Brunswick Real Estate is a market leading investor and lender in the Nordics, investing across the entire capital structure. Our services include investment management through real estate investments and credit financing. The team includes approximately 50 employees in Stockholm, Helsinki and London.

www.brunswickrealestate.com

Mälarstaden Asset Management AB ("Mälarstaden AM") offers property owners a sustainable asset management with focus on long-term customer interaction, resource efficient asset management and value creating development projects. Mälarstaden AM is based in Eskilstuna and currently the team includes four employees.