

Press release

25 oktober 2019

Restructures the property portfolio and extends cooperation with Alecta

Heimstaden AB has today agreed with the other partners in the subsidiary Heimstaden Bostad AB for an extended cooperation.

Heimstaden Bostad AB strengthen its equity base with a total of 9.5 billion SEK through a private placement towards the main owners Heimstaden AB and Alecta. In total, SEK 6.2 billion is allocated externally to the Group.

Simultaneously, Heimstaden Bostad acquires 10,447 residential- and 83 commercial units, corresponding to 866,171 sqm in the Netherlands with a property value of 18 billion SEK from Heimstaden AB. The acquisition is financed with bank loans and part of the new equity issue and will be finalised today.

Furthermore Heimstaden Bostad has signed a letter of intent to acquire the remaining properties in Heimstaden AB, as well as Alecta's residential portfolio in Helsingborg. The agreed property values in these two transactions sum up to 2.6 billion SEK. Following a satisfactory due diligence, these acquisitions are finalised in December.

The partners of Heimstaden Bostad has decided to expand its core market from the Nordics to also include the main part of Europe. To clarify the strategies of Heimstaden AB and Heimstaden Bostad, the ambition is that future real estate investments in the core markets, are made in Heimstaden Bostad.

In addition to earlier committed capital and the equity issued to the transactions described above, Alecta has committed to make equity contributions of 7.5 billion SEK in Heimstaden Bostad to support the future development of the company.

"We enjoy our close cooperation with Alecta in developing Heimstaden Bostad, and with a substantial amount of new equity we can grow our company in markets that we know well, which is exiting and motivating for all of us", says Patrik Hall, CEO of Heimstaden.

"Heimstaden Bostad is a great platform for European growth. Our increased commitment reflects our positive view on real assets in general and residential assets in particular. We believe this investment will create attractive long term return for our

savers”, says Frans Heijbel, Head of International Real Assets at Alecta and Chairman of Heimstaden Bostad.

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Heimstaden is a leading real estate company in Northern Europe, with a focus on acquiring, refining, developing and managing housing and premises. Through our values, thoughtfulness, innovation and authenticity, we create values for our owners and caring homes for our tenants. Heimstaden has about 52,300 apartments and a property value of approximately SEK 108 billion value. Heimstad's preference share is listed on Nasdaq First North Premier. The head office is located in Malmö. Certified Adviser is Erik Penser Bank aktiebolag, +46 8-463 83 00 and certifiedadviser@penser.se. For more information, see www.heimstaden.com

This information is such information that Heimstaden AB (publ) is obliged to publish in accordance with the EU Market Abuse Regulation. The information was submitted, through the agency of the above contact persons, for publication on October 25th, 2019 at. 13:00 CET.