

**THE REASONED STATEMENT OF THE BOARD OF DIRECTORS OF HEMFOSA FASTIGHETER AB (PUBL)
PURSUANT TO CHAPTER 18 SECTION 4 OF THE SWEDISH COMPANIES ACT**

As a result of the proposal by the Board of Directors of Hemfosa Fastigheter AB (publ), reg. no. 556917-4377, to the Annual General Meeting to pay a dividend in respect of the company's ordinary shares and preference shares for the financial year 2015, the Board of Directors hereby submits the following reasoned statement pursuant to Chapter 18 Section 4 of the Swedish Companies Act.

Proposed dividend

As set out in the proposal regarding disposition of the company's result, the Board of Directors proposes a dividend in respect of ordinary shares and preference shares as follows.

The Board of Directors proposes that the meeting resolves that, until the next Annual General Meeting, a dividend to the shareholders of ordinary shares shall be paid in a total amount of SEK 4.20 per ordinary share, with quarterly payments of SEK 1.05 per ordinary share. Proposed record days for the quarterly dividends on the ordinary shares are 21 April 2016, 10 July 2016, 10 October 2016 and 10 January 2017. In the event that such day is not a banking day, the record day shall be the immediate preceding banking day. The dividend payments on the ordinary shares are estimated to be distributed by Euroclear Sweden AB on the third banking day after each record day.

The Board of Directors further proposes that the meeting resolves that, until the next Annual General Meeting, a dividend to the shareholders of preference shares shall be paid in a total amount of SEK 10.00 per preference share, with quarterly payments of SEK 2.50 per preference share. Proposed record days for the quarterly dividends for the preference shares are 10 July 2016, 10 October 2016, 10 January 2017 and 10 April 2017. In the event that such day is not a banking day, the record day shall be the immediately preceding banking day. The dividend payments on the preference shares are estimated to be distributed by Euroclear Sweden AB on the third banking day after each record day.

The Board of Directors' proposal regarding dividend to the holders of preference shares are in accordance with the articles of association, which stipulates the conditions for preference shares.

In aggregate, the proposed dividend as set out above amounts to SEK 662,048,864.

The Board of Directors has furthermore resolved on an issue of new shares with pre-emption rights for the existing holders of ordinary shares, subject to approval by the general meeting (item 13 on the agenda). The Board of Directors proposes that the new ordinary shares that may be issued pursuant to the resolution by the Board of Directors regarding an issue of new shares shall entitle to dividend as set out above as of the day on which they are entered in the share register maintained by Euroclear Sweden AB. Provided that the Annual General Meeting approves the resolution by the Board of Directors, the dividend on the new ordinary shares may amount to up to SEK 105,000,000.

The Board of Directors has furthermore proposed that the Annual General Meeting authorises the Board of Directors to resolve upon new issues of ordinary shares (item 14 on the agenda). The Board

of Directors proposes that the new ordinary shares that may be issued pursuant to the authorisation shall entitle to dividend as set out above as of the day on which they are entered in the share register maintained by Euroclear Sweden AB. At a maximum use of the authorisation, the dividend on the new ordinary shares may amount to SEK 51,903,666.

The proposed dividend amounts to approximately 7.4 per cent of the parent company's equity and approximately 6.2 per cent of the group's equity at 31 December 2015. Should the maximum dividend be paid also on new ordinary shares, as a consequence of the new issue of ordinary shares with pre-emption rights and exercise of the authorisation, the dividend will instead amount to not more than 9.1 per cent of the parent company's equity and not more than 7.6 per cent of the group's equity as of 31 December 2015.

Nature, scope and risks of the business

The nature and scope of the business are specified in the articles of association and in the published annual reports that have been issued. The business that is conducted by the company and the group companies do not entail any risks other than those that arise, or can be anticipated to arise, within the industry concerned, or those risks that are generally associated with operating a business. In addition, there are no events that have occurred which negatively have affected the company's ability to distribute funds to the shareholders. The company's dependency on economic conditions does not deviate from what is otherwise prevalent in the industry concerned.

The financial position of the company and the group

The financial position of the company and the group on 31 December 2015 is described in the latest annual report. The annual report also specifies the accounting policies that have been applied in valuating assets, provisions and liabilities.

The Annual General Meeting has SEK 8,913,405,322 available for distribution, and the company's equity/assets ratio is 78.3 per cent and the group's equity/assets ratio is 34.2 per cent. Including committed lines of credit, the company has access to considerable liquid funds. Unrealised gains account for a small portion of the company's and the group's equity.

The company's and the group's financial position is strong. The proposed value transfer (dividend) will not jeopardize fulfilment of the investments deemed necessary. Nor will the value transfer impact the company's and the group's ability to meet its payment obligations in a timely manner. The company's and the group's liquidity forecasts encompass preparedness to manage variations in the continuous payment obligations.

The company's and the group's financial position does not give rise to an assessment other than that the company and the group will be able to continue its business and that the company and the group can be expected to satisfy its obligations in the short term and the long term.

The Board of Directors is of the opinion that the size of the equity as reported in the latest annual report is in reasonable proportion to the scope of the company's business and the risks that are associated with carrying on the business, taking the proposed value transfer into account.

The dividend proposal's justification

With reference to the above and to other information that has been brought to the Board of Directors' attention, the Board of Directors consider that the company's and the group's financial position entails that the proposed value transfer is justified in view of the requirements that the nature, scope and risks in the business, including effects of the general economic situation, place on the size of the company's and the group's equity as well as the company's and the group's funding requirements, liquidity and position in general.

Nacka, March 2016
Hemfosa Fastigheter AB (publ)
Board of Directors