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Press release

June 19, 2018

Hemfosa has conducted a directed share issue of 10 million common shares raising proceeds of SEK 1,085 million

The board of directors of Hemfosa Fastigheter AB (publ) (“Hemfosa” or “the Company”) has, based on the issue authorisation granted by the annual general meeting on April 18, 2018, and as indicated in the Company’s press release earlier today, resolved on a directed share issue of 10 million common shares at a price of SEK 108.5 per share (the “Share Issue”), which means that the Company will receive proceeds of SEK 1,085 million before transaction costs. The price per share in the Share Issue was determined through an accelerated bookbuilding procedure.

The board of directors of Hemfosa concludes that the interest in the Share Issue was strong, as the communicated volume of up to 10 million common shares was oversubscribed by Swedish and international institutional investors shortly after the announcement of the Share Issue. The reasons for the deviation from the shareholders’ pre-emptive rights were to raise additional equity capital in a rapid and efficient manner to be able to exploit current business opportunities and to optimize the Company’s capital structure ahead of a planned split of the group. The additional equity capital improves the Company’s key performance indicators while enabling the Company to make further acquisitions of community service properties as well as other properties.

After the registration of the Share Issue, the total number of shares in the Company will amount to 178,728,248 (divided between 167,728,249 common shares and 10,999,999 preference shares). The Share Issue entails a dilution of approximately 5.6 per cent, based on the total amount of shares in Hemfosa after the Share Issue.

The new common shares will entitle to dividends once they have been entered into the share register kept by Euroclear Sweden, which is expected to take place on 25 June 2018. The next record date for dividend on the common shares will occur on July 10, 2018. In connection with the Share Issue, the Company has, under customary terms, undertaken to enter into a 90-day lock-up period as regards any future new issues.

In connection with the Share Issue the Company has engaged ABG Sundal Collier, SEB and Swedbank as Joint Lead Managers and Bookrunners and Advokatfirman Cederquist as legal counsel. Advokatfirman Vinge has acted as legal counsel to the Joint Lead Managers and Bookrunners.

For more information, please contact:

Bengt Kjell, chairman of the board, cellphone 070-594 5398

This information is insider information that Hemfosa Fastigheter AB (publ) is required to publish in accordance with the EU market abuse regulation. The information was submitted for publication through the contact person stated above, at 23:30 CET, June 19, 2018.

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About Hemfosa Fastigheter

Hemfosa is a Swedish property company focused 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, 2018, Hemfosa owned properties with a total property value of approximately SEK 44.9 billion, including the company's share of the property value in joint ventures. Hemfosa's common share has been listed since March 2014 and its preference share since December 2014, both on Nasdaq Stockholm. Read more at www.hemfosa.se

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This press release is not a prospectus. Hemfosa has not authorized any offer to the public of shares or rights in any member state of the EEA and no prospectus has been prepared or will be prepared in connection with the directed new share issue.

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