

PRESS RELEASE**06 03 2018**

Kungsleden signes a new 10 year lease agreement with existing tenant SMHI

Kungsleden extends the rental relationship with existing tenant SMHI in Norrköping through a new lease agreement of ten years and a total rental value of approximately MSEK 200. In accordance with the new lease Kungsleden will modernize and improve the 14 500 sq.m large premises and transform them to better support SMHI's future work. The rent will be raised with SEK 235 per sq.m.

Kungsleden is one of the larger commercial property owners in Norrköping with approximately 55 000 sq.m. of rental surface. SMHI has had their business operation in the property Taktpinnen 1 since the mid seventies when the business was relocated to Norrköping. With the new lease, Kungsleden will modernize the premises and adapt them to SMHI's future operations. As part of the improvement work, there will be a new inviting entrance and more and better meeting rooms and conference rooms. There will be a mix of private office rooms and open office space for more spontaneous meetings. The property's exterior surroundings will also be reviewed. The lease with SMHI is a so-called "green lease" – an agreement between tenant and landlord regarding common measures to maintain or improve the premises environmental performance which is in perfect line with SMHI's strong environmental profile.

"We are looking forward to having a modern and flexible office that is both tailored to fit our various business activities and inviting to our employees. Our and Kungsleden's strategies are that the new office - and the entire construction process - should be characterized by sustainability, and that the rent will continue to be kept at a very reasonable level" says Rolf Brennerfelt, General Director at SMHI.

"For some time now we have been working on finding a solution to modernize and streamline SMHI's office space so that it corresponds to the tenant's needs and desires of purposeful offices that meet future working methods. It is with great joy that we now have reached a long-term cooperation and can start the transformation of the premises" says Tommy Svärd Asset Manager at Kungsleden.

If you have any questions, please contact:

Mats Eriksson, Head of Real Estate in Mälardalen | +46 21 40 44 85 | mats.eriksson@kungsleden.se

Tommy Svärd, Asset Manager in Norrköping and Linköping | +46 11 470 78 20 | tommy.svard@kungsleden.se

Detta pressmeddelande finns tillgängligt på svenska på www.kungsleden.se/pressmeddelanden

The information was provided for public release on March 7, 2018 at 07:00 a.m.

Kungsleden is a long term property-owner that provides attractive, functional premises that enrich people's working days. We create value by owning, managing and developing offices and other commercial properties in Stockholm and Sweden's other growth regions. A large portion of our properties belong to attractively located clusters where we also engage in the development of the whole area. Kungsleden's goal is to deliver an attractive total return on our properties and for our shareholders. Kungsleden is listed on NASDAQ Nordic Large Cap.