

Press release**31 October 2012**

Hemsö purchases two properties for SEK 255 m

Swedish community services property company Hemsö is purchasing two properties for a total purchase price of approximately SEK 255 m including transaction costs. Their property yield amounts to about 7.1%. Hemsö is 50:50 joint owned by listed Swedish property company Kungsleden AB (publ) and AP3 (the Swedish Third Pension Insurance Fund).

The first property is a retirement home in Berlin, Germany, with leasable area of around 6,950 sq.m. The remaining contract term is 16 years and completion is scheduled for 1 January 2013.

The second property is a local police station with leasable area of approx. 3,550 sq.m. in Malmö. The Swedish Police Service is letting this newly built police station on a 15-year lease contract. Completion will be in December 2012.

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

Kungsleden AB (publ) discloses the information in this press release according to the Swedish Securities Markets Act and/or the Swedish Financial Trading Act. The information was provided for public release on 31 October 2012 at 08:00 a.m.

Kungsleden's strategy is to ensure sustainable high and stable returns proceeding from its existing holding, and through purchases and sales. As of 30 September 2012, the property portfolio comprised 281 properties with a book value of SEK 14.8 bn. The holding was located in a total of 101 municipalities, mainly in southern and central Sweden. Kungsleden has been quoted on Nasdaq OMX Stockholm since 1999.