

Press Release**2 December 2011**

Hemsö purchases a property for SEK 130 m

Through Hemsö, its joint venture with AP3 (the Swedish Third Pension Insurance Fund), listed Swedish property company Kungsleden AB (publ) is purchasing a public property for a total purchase price of approximately SEK 130 m including transaction costs. The initial property yield amounts to 6.8%.

This property is in Västerås, west of Stockholm, and houses a retirement home and local retail centre. Gross leasable area is around 9,000 sq.m., the tenant being the City of Västerås with a remaining lease term of 15 years. Total rental value is about SEK 12 m.

Completion is scheduled for 1 January 2012.

“This transaction involves a 15-year lease with the City of Västerås, which ensures long-term stable returns,” commented Kungsleden’s Chief Executive Thomas Erséus.

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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 2 December 2011 at 8:00 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 2011, the property portfolio comprised 639 properties with a book value of SEK 26.5 bn. The holding was located in a total of 142 municipalities, mainly in southern and central Sweden. Kungsleden has been quoted on OMX Nordic Exchange since 1999.