

KUNGSLEDEN

The shareholders of Kungsleden AB (publ) are hereby invited to attend the Annual General Meeting, to be held on Thursday 23 April 2015 at 2.00 p.m. at Hotel Rival, Mariatorget 3, Stockholm, Sweden. Entry to the Annual General Meeting will commence at 1.00 p.m.

Participation

Shareholders who wish to participate in the Annual General Meeting

- shall be registered in the shareholders' register maintained by Euroclear Sweden AB on Friday 17 April 2015, and
- shall notify the company of their intention to attend the Annual General Meeting not later than on Friday 17 April 2015
- on <http://www.kungsleden.se/arsstamma2015>
 - by post to Kungsleden AB (publ), Att: Sinikka Arfwidsson, PO Box 70414, SE-107 25 Stockholm, Sweden, or
 - by telephone, +46 (0)8 503 052 00 between 10.00 a.m. and 4.00 p.m.

Upon notification, shareholders should state their name, personal-/corporate identity number, address, daytime telephone number, and, where applicable, number of advisors participating.

Representative, power of attorney etc.

Shareholders participating through a proxy or a representative should, in order to facilitate the entering at the Annual General Meeting, submit their proxy, certificates of registration or other documents of authorisation to the company not later than on Friday 17 April 2015. Please note that any proxy must be dated and submitted in original. A template proxy form is available for download on the company's website at <http://www.kungsleden.se/arsstamma2015>.

Nominee-registered shares

Shareholders whose shares are registered in the name of a nominee must temporarily register their shares in their own name in the shareholders' register maintained by Euroclear Sweden AB, to be entitled to participate in the Annual General Meeting. Such procedure, so-called voting right registration, must be effected not later than on Friday 17 April 2015, which means that the shareholder must inform the nominee well in advance before this date.

Proposed agenda

1. Opening of the Annual General Meeting.
2. Election of Chairman of the Annual General Meeting.
3. Drawing up and approval of the voting list.
4. Approval of the agenda.
5. Election of one or more persons to verify the minutes.
6. Determination as to whether the Annual General Meeting has been duly convened.
7. Report on the work of the Board of Directors and the Committees of the Board of Directors.
8. Presentation of the annual report and the audit report and the consolidated financial statements and the consolidated audit report for 2014 and in this connection the CEO's report on the business.
9. Resolution regarding
 - a) adoption of the income statement and the balance sheet, and the consolidated income statement and the consolidated balance sheet for 2014,
 - b) disposition of the company's profits in accordance with the approved balance sheet for 2014, and determination of the record date for dividends, and
 - c) discharge from personal liability of the Board of Directors and the CEO for the year 2014.
10. Report on the work of the Nomination Committee.
11. Resolution regarding the number of members of the Board of Directors, to be elected by the Annual General Meeting.
12. Resolution regarding remuneration to the Board of Directors, to the members of the committees of the Board of Directors and resolution regarding remuneration to the auditor.
13. Election of members of the Board of Directors and the Chairman of the Board of Directors.
14. Election of members of the Nomination Committee.
15. Election of auditor.
16. The Board of Directors' proposal for approval of guidelines concerning remuneration to the senior executives.
17. The Board of Directors' proposal for resolution to authorise the Board of Directors to resolve on repurchase of own shares.
18. The Board of Directors' proposal for:
 - a) a resolution to amend the Articles of Association (introduction of a new class of shares (preference shares) etc.),
 - b) a resolution regarding authorisation for the Board of Directors' to resolve upon new issues of preference shares, and

- c) a resolution regarding dividend on preference shares.
19. The Board of Directors' proposal for a resolution to amend the Articles of Association (the auditor's term of office).
20. Closing of the Annual General Meeting.

Proposals

- Item 2* The Nomination Committee proposes that the Chairman of the Board of Directors, Göran Larsson, is elected Chairman of the Annual General Meeting.
- Item 9 b)* The Board of Directors proposes a dividend of SEK 1.50 per share. The record date for dividend is proposed to be Monday 27 April 2015. If the Annual General Meeting resolves in accordance with the Board's proposal, the dividend is estimated to be paid out by Euroclear Sweden AB on Thursday 30 April 2015.
- Item 11* The Nomination Committee proposes that the Board of Directors shall consist of seven members.
- Item 12* The Nomination Committee proposes that:
- an annual amount of SEK 200,000 (unaltered) shall be paid to members of the Board of Directors who are not employed by the company, and that an annual amount of SEK 450,000 (unaltered) shall be paid to the Chairman of the Board of Directors,
 - an annual amount of SEK 30,000 per assignment (unaltered) shall be paid to members of the Board of Directors, who are not employed by the company, for work in committees established by the Board of Directors,
 - the total remuneration to the Board of Directors not shall exceed SEK 2,080,000 (unaltered), and that
 - remuneration to the auditors during the term of office shall be paid by approved accounts.
- Item 13* The Nomination Committee proposes that Charlotte Axelsson (elected 2014), Joachim Gahm (elected 2011), Liselotte Hjorth (elected 2014), Lars Holmgren (elected 2011), Göran Larsson (elected 2013), Kia Orback Pettersson (elected 2010) and Charlotta Wikström (elected 2009) are re-elected as members of the Board of Directors until the close of the next Annual General Meeting.
- The Nomination Committee further proposes that Göran Larsson is re-elected as Chairman of the Board of Directors.
- Further information regarding the proposed members of the Board of Directors is available on the company's website at www.kungsleden.se.
- Item 14* On 31 January 2015, Gösta Welandson with companies, Länsförsäkringar Fonder Olle Florén with companies and Andra AP-fonden were among the largest shareholders of the company in terms of votes that also have notified their interest to participate in the nomination work for the Annual General Meeting 2016. These shareholders have nominated the following individuals as representatives to the Nomination Committee: Göran Larsson (Gösta Welandson with companies), Eva Gottfridsdotter-Nilsson (Länsförsäkringar Fonder), Krister Hjelmstedt (Olle Florén with companies) and Martin Jonasson (Andra AP-fonden). Furthermore, in accordance with the instruction for the Nomination Committee, shall the Chairman of the Board of Directors be a member of the Nomination Committee.
- Item 15* The Nomination Committee proposes that the company shall have a registered accounting firm as auditor and that the registered accounting firm KPMG AB shall be re-elected as auditor for the period until the close of the Annual General Meeting 2016. The term of office is conditional on that the Annual General Meeting resolves to amend the Articles of Association (the auditor's term of office) in accordance with the Board of Directors' proposal under item 19 in the proposed agenda. KPMG AB has informed that they will appoint the chartered auditor George Pettersson to the auditor-in-charge if KPMG AB is re-elected as auditor.
- Item 16* The Board of Directors proposes that the Annual General Meeting on 23 April 2015 resolves on the following guidelines concerning remuneration and other terms of employment to the senior executives. In this context, "senior executives" refers to the CEO and other executive employees in the Kungsleden group. Please note that the number of individuals qualifying as senior executives amounts to eleven, i.e. the same number as previous year. The guidelines are unaltered compared to previous year.

The guidelines for remuneration also applies for the members of the Board in the extent they receive remuneration for services provided for the Kungsleden group outside their directorship.

General

Kungsleden shall apply the levels of remuneration and employment terms required in order to recruit and retain senior executives with high competence and capacity to reach the set targets, aimed at promoting the company's long term value creation. The forms of remuneration shall motivate the senior executives to perform at their highest level in order to guarantee the interests of the shareholders.

The remuneration forms shall therefor be market-based, simple and measurable. The remuneration to the senior executives shall generally consist of a fixed part and a variable part. The variable part shall be based on the senior executives individual performance in relation to in advanced established standard of result. The standard of result shall be simple, transparent and measurable.

For variable remuneration shall the maximum outcome be determined to a certain limit.

The relation between fixed and variable remuneration and the relation between performance and remuneration

The fixed remuneration to senior executives shall be market adapted and be based on competence, responsibility, level of experience and performance. The maximum outcome of the variable salary to the senior executives shall generally fall within the interval of 25-75 per cent of the fixed salary, and shall be related to the senior executives' individual performance in relation to the company's and each business area's/region's in advanced established standard of result.

When designing systems for variable salary to the senior executives, that are paid in cash, the Board of Directors shall consider the need of imposing restrictions that (i) make payments of a certain proportion of such salary conditional on whether the performance on which it was based has proved to be sustainable over time, and (ii) that allow the company to reclaim such compensations that have been paid on the basis of information which later proves to be manifestly misstated.

Main conditions for long-term incentive programs

In the event there are long-term incentive programs within the company, these shall mainly be share- or share price-related, performance based and include the senior executives as well as individuals with leading positions within the company who have an essential impact on the company's earnings, position and growth and that set targets are fulfilled. Such a long-term incentive program shall ensure long term commitment to the development of the company, promote private shareholdings in the company, be implemented on market terms and run for at least three years. At present there are no such incentive programs in the Kungsleden Group.

Main conditions for non-monetary benefits, pensions, termination and severance payment

The non-monetary benefits of the senior executives shall aim to facilitate the performance of the executive's work assignments and shall correspond to what can be considered feasible on the market and the municipality in which the senior executive is active.

The pension benefits of the senior executives shall be market-based in relation to what can be considered applicable to equivalent executives on the same market in which the executives are active, and shall be based on pension plans with a fixed remuneration rate or according to the general pension scheme; in Sweden the ITP plan.

Upon notice of termination of a member of the senior executives made by the company, a fixed salary during the notice period of 3-12 months, together with a non-pensionable severance pay of 3-12 months fixed salary, shall be paid. Severance payment shall generally be creditable in relation to other income generated from new employments or assignments. 3-6 months is the normal notification period for termination of senior executives' employments.

Remuneration to Board Members

Board Members, elected at General Meetings, may in certain cases receive remuneration for services performed within their respective areas of expertise, outside of their Board duties. Compensation for these services shall be paid at market terms and be approved by the Board of Directors.

How matters regarding remuneration to senior executives are prepared and decided within the framework and directives resolved by the Annual General Meeting

The Board's Remuneration Committee administers and prepares questions regarding remuneration to the senior executives.

Proposals regarding remunerations and other employment terms for the CEO are drawn by the Remuneration Committee, and shall be submitted to the Board of Directors for approval. The Board yearly evaluates the work of the CEO.

Proposals regarding remunerations and employment terms for other senior executives than the CEO are drawn by the CEO based on frames and directives resolved by the Remuneration Committee, which monitors and evaluates the programs for variable remuneration in the company. The proposal shall thereafter be submitted to the Remuneration Committee for approval.

The Board of Directors shall be entitled to deviate from these remuneration guidelines if it, in a special case, is required by special reasons, for example additional variable salary for certain performances. In such a case, the Board shall account for the reason of the deviation on the following Annual General Meeting.

Costs

The total cost for the remunerations that may be paid in accordance with the guidelines above, is estimated to a maximum of SEK 44,000,000, including social security payments, pensions and employer's contributions for social insurance, and based on the assumption that the variable remunerations will be paid in full. The increase in relation to previous year is a result of salary adjustments in accordance with the market and therewith additional higher social security payments and pensions as well as due to that several positions were vacant during parts of the previous year but have now been appointed.

The total cost for remuneration pursuant to these guidelines will vary as regards the outcome of the variable remuneration and is estimated to SEK 28,000,000, 33,000,000, 36,000,000 and 40,000,000 in the event that the variable compensation would fall out with 0 per cent, 25 per cent, 50 per cent and 75 per cent of the maximum outcome.

Item 17

The Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to pass a resolution on repurchasing the company's own ordinary shares if the purpose is to retire shares through a decrease of the share capital in accordance with the following conditions:

1. The repurchase of shares shall take place on the Nasdaq Stockholm in accordance with Nasdaq Stockholm's rules regarding purchase and sale of own shares.
2. The repurchase of shares may take place on one or more occasions for the period up until the next Annual General Meeting.
3. So many shares may, at the most, be repurchased so that the company's holding does not at any time exceed 10 per cent of the total number of shares in the company.
4. The repurchase of shares on Nasdaq Stockholm may occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and lowest selling price.
5. Payment for the shares shall be in cash.

The purpose of the authorisation is to give the Board of Directors flexibility to continuously decide on changes to the capital structure during the year and thereby contribute to increased shareholder value.

The Board of Directors shall be able to resolve that repurchase of own ordinary shares shall be made within a repurchase program in accordance with the Commission's Regulation (EC) no 2273/2003, if the purpose of the repurchase only is to decrease the company's share capital.

Item 18 a)

To enable the introduction of preference shares, the Board proposes that the Annual General Meeting resolves on the amendments and addendums to the Articles of Association, including the introduction of a new class of shares (preference shares), as set out below.

§ 5 current wording:

There will be a minimum of 76,800,000 shares and a maximum of 307,200,000 shares.

§ 5 in proposed new wording:

There will be a minimum of 76,800,000 shares and a maximum of 307,200,000 shares.

It shall be possible to issue two classes of shares, ordinary shares and preference shares. Each ordinary share entitles the holder to one (1) vote.

Each preference share entitles the holder to one-tenth (1/10) of a vote. Ordinary shares may be issued up to the number corresponding to no more than one hundred (100) per cent of the share capital. Preference shares may be issued up to the number corresponding to no more than twenty-five (25) per cent of the share capital.

The following addendums are proposed as new §§ 6-9 in the Articles of Association (the previous §§ 6-11 will be re-numbered to §§ 10-15):

§ 6

Preference shares right to dividend

If the General Meeting resolves on dividends, preference shares shall carry preferential rights before ordinary shares to a dividend as set out below.

Preference Dividend

The preference shares shall confer a preferential right over the ordinary shares to an annual dividend of SEK 20 per preference share ("The Annual Preference Dividend"), with quarterly payment of SEK 5 per preference share (the "Preference Dividend"), with record days as set out below.

Payment of dividends

Payment of dividend on preference shares shall, the first time following the day of the registration of the preference shares in Euroclear Sweden AB's share register, be made quarterly in cash. The record days for the payments of dividend on preference shares shall be 30 June, 30 September, 30 December and 31 March. In the event such day is not a banking day, the record date shall be the closest preceding banking day. Dividend payments on preference shares shall be made on the third banking day after the record date. With "banking day" means a day that is not a Sunday, a public holiday or a day that in relation to the payment of debt instruments is equal to a public holiday (such equal days are at the time of the adoption of this Articles of Association Saturday, Midsummer Eve, Christmas Eve and New Year's Eve).

Calculation of Outstanding Amount

If no dividend is paid on preference shares, or if only a dividend of less than the Annual Preference Dividend has been paid, the preference shares shall carry entitlement to, in addition to future Preference Dividend, receive an amount evenly distributed on each preference share, corresponding to the difference between what should have been paid according to the above and the amount that was paid ("Outstanding Amount") before additional preference shares may be issued or value transfer to holders of ordinary shares may be made. The Outstanding Amount shall be adjusted upwards by a factor corresponding to an annual interest rate of eight (8) per cent, whereby upward adjustment shall start from the quarterly date when payment of part of the Preference Dividend was made (or should have been made, in the event that no Preference Dividend was paid at all). Dividend of the Outstanding Amount is also conditional upon that the General Meeting resolves to pay dividend.

Recalculation at certain events of the company

In the case of a change in the number of preference shares through a reverse share split, a share split or other company events that have a similar effect, the amount that the preference share is entitled to according to §§ 6-8 in these Articles of Association shall be recalculated to reflect this change.

Miscellaneous

The preference shares shall not otherwise carry entitlement to dividend.

§ 7

A reduction of the share capital, although not below the minimum capital, may take place following a resolution by a General Meeting through redemption of preference shares as set out below.

The General Meeting resolves on the number of preference shares to be redeemed each time. The allocation of which preference share that shall be redeemed shall be made pro rata in relation to the number of preference shares that each preference shareholder owns at the time of the General Meeting's resolution on redemption. If the allocation as set out above does not amount to an even number of shares, the Board of Directors shall decide on allocation of the additional preference shares to be redeemed. If the resolution is approved by all holders of preference shares the General Meeting may however decide which preference shares are to be redeemed.

The redemption amount for each redeemed preference share shall be an amount calculated as follows:

- a) Up to the fifth anniversary of the first new issue of preference shares (the "Initial Issue"), an amount corresponding to (i) 120 per cent of the amount in SEK paid for each preference share at the Initial

Issue ("Initial Subscription Price"), (ii) plus possible accrued part of the Preference Dividends, (iii) plus any Outstanding Amount adjusted upwards by an annual interest rate as set out in § 6 above. The redemption amount for each redeemed preference share shall however never be lower than the share's quota value.

- b) As from the fifth anniversary of the Initial Issue and for the time thereafter, an amount corresponding to (i) 110 per cent of the Initial Subscription Price, (ii) plus possible accrued part of the Preference Dividends, (iii) plus any Outstanding Amount adjusted upwards by an annual interest rate as set out in § 6 above. The redemption amount for each redeemed preference share shall however never be lower than the share's quota value.

"Accrued part of the Preference Dividends" refers to accrued Preference Dividends for the period commencing the day after the latest record day for dividend until and included the day for payment of the redemption amount. The number of days shall be calculated based on the actual number of days in relation to 90 days.

From the day when payment of the redemption amount falls due, all calculation according to §7 section 3 shall cease.

§ 8

If the company is dissolved preference shares shall carry preferential rights before ordinary shares to receive from the company's assets an amount per preference share corresponding to (i) 110 per cent of the Initial Subscription Price, (ii) possible accrued part of the Preference Dividends as set out in § 7 above, and (iii) any Outstanding Amount adjusted upwards by an annual interest rate as set out in § 6 above, prior to any distribution to owners of ordinary shares. Preference shares shall otherwise not carry any entitlement to a share of distribution.

§ 9

Should the company decide to issue new shares of more than one class through a cash issue or a set-off issue, holders of ordinary shares and preference shares shall have preferential right to subscribe for new shares of the same class in proportion to their existing shareholding in that class (primary preferential right). Shares that are not subscribed for with primary preferential right shall be offered to all shareholders for subscription (subsidiary preferential right). Should the number of shares offered in this way not be enough for subscription through subsidiary preferential right, said shares shall be apportioned among subscribers in proportion to their existing shareholdings, regardless of whether the shares in the company already held by them are ordinary shares or preference shares. To the extent this is not possible as regards a certain share or certain shares, the distribution shall be made by lottery.

Should the company decide to issue new shares of only one class through a cash issue or a set-off issue, the existing shareholders of the class of shares that is the subject of the new issue shall carry preferential right to such new shares in proportion to their existing shareholding in that class (primary preferential right). Shares that are not subscribed for with primary preferential right shall be offered to all shareholders for subscription (subsidiary preferential right). Should the number of shares offered in this way not be enough for subscription through subsidiary preferential right, said shares shall be apportioned among subscribers in proportion to their existing shareholdings, regardless of whether the shares in the company already held by them are ordinary shares or preference shares. To the extent this is not possible as regards a certain share or certain shares, the distribution shall be made by lottery.

Should the company decide through a cash issue or a set-off issue to issue subscription warrants or convertibles, shareholders shall have preferential right to subscribe for subscription warrants as if the issue was in respect of the shares that may be subscribed for by exercising the subscription warrants and to subscribe for convertibles as if the issue was in respect of the shares that the convertibles may be exchanged for.

The aforesaid shall not imply any limitation in the possibility of a decision on cash issue or set-off issue with divergence from shareholders' preferential rights.

An increase of the share capital by a bonus issue, where new shares are issued, may only occur by an issue of new ordinary shares. In such case, only holders of ordinary shares have preferential right to such new ordinary shares in proportion to their existing shareholding of ordinary shares. What has just been said shall not imply any limitation in the possibility to issue new classes of shares through a bonus issue, after necessary amendments to the Articles of Association.

Item 18 b)

The Board proposes that the Annual General Meeting resolves to authorise the Board to, at one or more occasions before the next Annual General Meeting, with deviation from the pre-emption right of shareholders, resolve upon a new issue of preference shares in the company, to the extent such new issue can be made without amending the Articles of Association. The authorisation shall comprise a maximum of 6,000,000 preference shares. Such new preference shares shall be issued to a market subscription price,

subject to customary market discount where applicable, and the payment for such shares can be made, in addition to payment in cash, by assets contributed in kind or by set-off.

The purpose of the authorisation, and the reason for deviating from the shareholders' pre-emption right, is that the Board shall be able to resolve on new issues in connection with acquisitions of real property or shares in real property companies or to capitalize the company prior to such acquisitions or otherwise in order to capitalize the company.

Item 18 c) Provided that the company issues preference shares according to items 18 a-b above during the period until the 2016 Annual General Meeting, the Board proposes that the Annual General Meeting resolves that a dividend on all new preference shares, which may be issued by the Board pursuant to the authorisation – a maximum of 6,000,000 preference shares – prior to the 2016 Annual General Meeting, shall be paid quarterly in an amount of SEK 5, however a maximum of SEK 20, with effect from the date they are entered in the share register kept by Euroclear Sweden AB in accordance with the provisions in the company's Articles of Association.

The funds at the Annual General Meeting's disposal, after the proposed ordinary dividends to the shareholders, amount to SEK 6,872,881,703.

The following dates are proposed as record dates for the quarterly dividends: 30 June 2015, 30 September 2015, 30 December 2015 and 31 March 2016. Payments are expected to be made by Euroclear Sweden AB on 3 July 2015, 5 October 2015, 7 January 2016 and 5 April 2016. The first time payment of a dividend on preference shares that may be issued in the event of utilisation of the authorisation may be made is on the payment date which occurs after the first record date after the preference shares are entered in the share register kept by Euroclear Sweden AB.

Item 19 The Board of Directors proposes that the Annual General Meeting resolves to amend the Articles of Association's § 7 regarding the auditors term of office so that the auditor's term of office shall last until the close of the Annual General Meeting held the first financial year after the election of the auditor (i.e. a term of office of one (1) year instead of four (4) years).

§ 7 current wording:

1-2 auditors with or without deputies, or one registered public accounting firm, shall be appointed. The auditors term of office shall last until the close of the Annual General Meeting which is held during the fourth financial year after the election of the auditor.

§ 7 in proposed new wording (re-numbered to § 11):

1-2 auditors with or without deputies, or one registered public accounting firm, shall be appointed.

Majority requirements regarding proposals for resolution in items 17 – 19

Resolutions in accordance with the proposed resolutions in items 17-19 are valid only if supported by shareholders holding not less than two-thirds of both the votes cast and the shares represented at the Annual General Meeting.

Information regarding proposal for resolution in items 18 a) – 18 c)

The above resolutions under items 18 a) – 18 c) are conditional upon each other and are therefore to be approved by the Annual General Meeting together as one resolution.

Miscellaneous

The Board further proposes that the Board, the CEO or the person that any of these appoint, shall be authorised to make the minor adjustments in the above resolutions as may be required in connection with registration at the Swedish Companies Registration Office and/or Euroclear Sweden AB.

Documentation

The accounting documents, the audit report, the reasoned statement from the Board of Directors in accordance with Chapter 18 Section 4 and Chapter 19 Section 22 of the Swedish Companies Act (2005:551), the statement of the auditor in accordance with Chapter 8 Section 54 of the Swedish Companies Act (2005:551), and the Articles of Association in proposed new wording will be available at the company's premises and on the company's website at <http://www.kungsleden.se/arsstamma2015>, not later than on Thursday 2 April 2015. The Nomination Committee's motivated opinion regarding its proposals and a presentation of the proposed Board of Directors are available on the company's website at <http://www.kungsleden.se/arsstamma2015>. The documents will be sent by post to those shareholders who so request and state their postal address.

Number of shares and votes

The company has 182,002,752 shares representing one vote each, therefore the total number of votes are 182,002,752.

Shareholders' right to request information

The Board of Directors and the CEO shall, if any shareholder so requests and the Board of Directors believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda, circumstances that can affect the assessment of the company's or its subsidiaries' financial situation and the company's relation to other companies within the group and the consolidated accounts.

Stockholm March 2015

Kungsleden AB (publ)

The Board of Directors