

2003-12-15

## **Vasakronan sells properties to London & Regional**

**Vasakronan is selling six properties in Stockholm to London & Regional Properties for SEK 1,870 M. The divestment is in line with Vasakronan's revised strategy, whose aim is to increase the rate of sale of properties in its portfolio, in order to generate value and create scope for future investments.**

Vasakronan is selling the following properties: Stockmakaren 1, in Sundbyberg, and Lysbomben 2, Lysbomben 3, Pegasus 6, Rörstrand 32 and Svea Artilleri 11, all in Stockholm.

### **Purchaser**

The purchaser is London & Regional Properties, one of the largest privately owned real estate companies in the United Kingdom, which aims to use its Swedish subsidiary as a vehicle for expansion in Scandinavia and Northern Europe.

"These properties have prime locations and stable tenants with long-term leases. In other words, the portfolio definitely matches our requirements," says Thomas Lindeborg, Managing Director of London & Regional Scandinavia. Thomas Lindeborg also stated that he has a positive impression of the Swedish real estate market and that he expects the future trend to remain favorable.

### **Effects on Vasakronan**

The sale price of SEK 1,870 M for the properties corresponds to the market valuation at the end of 2002. The sale will be effected in the form of a company divestment. The capital gain will be SEK 605 M, which will result in a net profit of approximately SEK 460 M, after tax effects and other expenses.

On an annual basis and excluding the capital gain generated during 2003, the divestment will have an adverse impact of approximately SEK 20 M on Vasakronan's earnings from continuing operations. However, it will improve the interest-coverage ratio. The sales consideration corresponds to a yield of 7.5%.

Six Vasakronan employees whose work involves these properties will be offered employment within the transferred operations.

"In addition to taking forceful action in the market for leased premises, Vasakronan aims to increase the rate of property sales in its portfolio," says Håkan Bryngelson, Vasakronan's President and Chief Executive Officer, commenting on the transaction. "As a result of this transaction, Vasakronan will realize surplus value that provides scope for future investments. Strategically speaking, the properties we are now selling are appropriate sales objects in the prevailing market climate," Bryngelson continues.

### **For further information, please contact:**

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LONDON & REGIONAL  
PROPERTIES

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**Divested properties**

<i>Property</i>	<i>Address</i>	<i>Municipality</i>	<i>Size of premises(m<sup>2</sup>)</i>
Stockmakaren 1	Rissneleden	Sundbyberg	76,340
Lysbomben 3	Rålambsvägen	Stockholm	16,156
Lysbomben 2	Fyrverkarbacken	Stockholm	15,253
Svea Artilleri 11	Löjtnantsgatan	Stockholm	5,359
Pegasus 6	Slottsbacken	Stockholm	5,475
Rörstrand 32	Wallingatan	Stockholm	2,803
<b>Total</b>			<b>121,386</b>