

July 2, 1999

## **Vasakronan acquires InfraCity – between Stockholm and Arlanda**

**Vasakronan has reached agreement on the acquisition of InfraCity AB from Agilia Holding AB, SEB Invest AB and Fastighets AB Stämjärnet (owned by Merita-Nordbanken). This agreement is conditional pending a detailed survey of the properties and the transfer is expected to take place during September 1999.**

**The purchase price for the total number of shares in InfraCity AB amounts to SEK 292.5 M, which corresponds to a property value of approximately SEK 800 M.**

**The InfraCity business park contains a total floor space of slightly more than 190,000 m<sup>2</sup> and is located between Stockholm and Arlanda. The business park has acquired several new tenants in recent years and currently has an interesting tenant structure.**

InfraCity is situated on the E4 freeway between Stockholm (21 km) and Arlanda (17 km) and consists of properties with a total of approximately 190,000 m<sup>2</sup> floor space. The area is divided into five different sections, with a mix of offices, stores, hotels and other types of premises. The Scandic Hotel operates a twenty-story hotel with an eye-catching glass façade. InfraCity has a total of 105 tenants, the largest of which are Scandic Hotel, Dell, Cederroth, Ericsson, Meto and Telia.

A major property development project – comprising approximately 40,000 m<sup>2</sup> at a cost of slightly more than SEK 300 M – is under way and will result in the establishment of the Infra Business Center. This development project is already 45 percent-leased – the tenants include Scandic Hotel, which is expanding considerably. The vacancy rate at InfraCity has dropped substantially in the past year and is now 18 percent, excluding the ongoing project. Rental revenues for 1999 will exceed SEK 90 M and the operating net will amount to slightly more than SEK 60 M.

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“Vasakronan can contribute enhanced market knowledge to InfraCity,” Håkan Bryngelson, Vasakronan’s President, says. “Economic growth in Stockholm is strong at the moment, and that is why we consider this the right time to move into this type of property. We see enormous development potential in InfraCity and the location is extremely interesting.”

“We can offer attractive premises at competitive prices with access to good communications,” comments Christer Alvemur, Executive Vice President and head of Vasakronan’s Stockholm Region. “The vacancies offer opportunities and Vasakronan possesses an organization with extensive customer contacts. InfraCity is a major meeting place and offers premises to companies which need for offices and premises for high-tech production.”

“The divestment of our 20-percent holding in InfraCity is part of our program to divest properties that are not used in our banking operations,” says Sven-Åke Johansson, Vice President of Merita-Nordbanken. “We are pleased that the buyer is Vasakronan, a company with the capacity and expertise to promote the further development of InfraCity.”

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*Vasakronan AB is one of the leading real estate companies in Sweden. Vasakronan focuses on office properties and has locations in Stockholm, Malmö, Gothenburg and 12 other urban centers in Sweden. Vasakronan is owned by the Kingdom of Sweden.*