

## PRESS RELEASE

### **General Meeting of Hufvudstaden approves rights issue of SEK 845 M**

A Special General Meeting of Hufvudstaden AB (publ) was held in the World Trade Center in Stockholm today. Shareholders approved the Board of Directors' proposal, see enclosure, to issue new shares in the amount of SEK 845 M.

The new shares will be issued with preferential rights for Hufvudstaden's shareholders to acquire, for SEK 20, one new share of the same class for each four shares held.

Stockholm, September 21, 2000

HUFVUDSTADEN AB (publ)

Ivo Stopner  
President

Encl.:  
Board's proposal for resolution on new issue of shares in  
Hufvudstaden AB (publ)

Questions will be answered by Ivo Stopner or Clas Hjorth,  
telephone +46 8 762 90 00

## **Board's proposal for resolution on new issue of shares in Hufvudstaden AB (publ)**

The proposal of the Board of Directors to the Special General Meeting on September 21, 2000:

The Company has acquired properties amounting to approximately SEK 2,200 M during the year. These properties are the World Trade Center building, the Pumpstocken 13 property on Biblioteksgatan and Citypalatset on Norrmalmstorg, all located in central Stockholm. To finance these acquisitions in part, the Board of Directors has proposed that new shares be issued. As a result of the issue, Hufvudstaden's financial position will be strengthened, which will also provide additional scope for investments in the existing property portfolio as well as in new buildings.

The Board proposes that the Special General Meeting resolve to approve an increase of not more than SEK 211,271,930 in the Company's share capital, to not more than SEK 1,056,359,665, through the issue of not more than 40,593,651 Series A shares and not more than 1,660,735 Series C shares, par value SEK 5 each, on the following terms:

- The Company's shareholders shall have preferential rights to subscribe for new shares. Owners of Series A and Series C shares shall thereby have preferential rights to subscribe for shares of the same class in proportion to the number of shares they owned earlier (primary preferential rights). Shareholders are entitled to subscribe for one new share for each four shares held. Subscription shall be effected through payment in cash.
- Shares that are not subscribed as described above shall be offered to all shareholders for subscription (subsidiary subscription rights). If the shares so offered are not adequate in number relative to the number of subscribers, the shares shall be distributed among subscribers in proportion to the number of shares owned earlier and -- if this cannot be done -- by lot. Payment must be made in cash not later than three banking days after subscribers have been notified of their allotments.
- The amount of SEK 20 per share shall be paid for each share subscribed.
- October 17, 2000 is the record date for determining eligibility to receive subscription rights in accordance with the new issue.
- Subscription shall take place during the period beginning October 20 through November 9, 2000.

# HUFVUDSTADEN

- The new shares shall carry rights to dividends effective with any dividend declared for the fiscal year 2000.
- In the event that all the new shares are not subscribed through the exercise of preferential rights, the Board of Directors -- within the framework of the largest number of shares being issued -- shall initially allot shares to L E Lundbergföretagen AB as guarantor, and shall then determine the extent to which further allotment of shares subscribed without exercise of preferential rights shall take place, and the manner in which this is to be done. Shares subscribed without the exercise of preferential rights shall be paid for in cash not later than three banking days after subscribers have been notified of their allotments.
- The Board also proposes that the President shall be authorized to make such minor changes in the issue resolution that may prove to be necessary in connection with registration of the issue with the National Patent and Registration Office.

Stockholm, September 14, 2000

HUFVUDSTADEN AB (publ)