

Press Release**23 June 2010**

Kungsleden in SEK 1150 m property acquisition

Through Hemsö, its joint venture with AP3 (the Swedish Third Pension Insurance Fund), listed Swedish property company Kungsleden AB (publ) is acquiring four public properties spread over 38 buildings, for a total purchase price of approximately SEK 1150 m at a property yield of approximately 7.5%. Total rental value is some SEK 125 m.

This property holding has gross leasable area of 122,000 sq.m. The largest tenants consists of the Municipality of Gotland, the Östersund branch of the Swedish Social Insurance Administration, the Östersund police authority, the Municipality of Karlskrona and ICA Fastigheter Borås, who represent approximately 60% of the rental revenues. The average remaining contract term in the portfolio is nine years.

These properties were developed by Vasallen in 2003–2010, and can now be considered largely complete. The transaction's scheduled completion date is 1 October 2010.

“Acquiring these well-developed properties from Vasallen, feels really positive,” commented Kungsleden’s Chief Executive Thomas Erséus, “with their long agreements and stable returns, this transaction will make a positive contribution to our portfolio composition and risk-adjusted returns.”

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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 23 June 2010 at 9:00 a.m.

v Detta pressmeddelande finns tillgängligt på svenska på www.kungsleden.se

Kungsleden’s strategy is to ensure sustainable high and stable returns proceeding from its existing holding, and through acquisitions and divestments. As of 31 March 2010, the property portfolio comprised 556 properties with a book value of SEK 21.2 bn. The holding was located in approximately 130 municipalities, although concentrated on the Swedish provinces of Götaland and Svealand, and the Öresund region. Kungsleden has been quoted on the NASDAQ OMX Stockholm since 1999.