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Vasakronan selling InfraCity to Orion Capital Managers

Vasakronan is selling InfraCity in Upplands Väsby to Orion Capital Managers for SEK 1,4 billion.

InfraCity is located along the E4 expressway between Arlanda and Stockholm and the business park is located on both sides of the highway. The area can be divided into five large blocks, with a total premises area of about 190,000 square meters. About half is office premises and the other half hotel, retail, production and warehouse space. The hotel is operated by Scandic Hotels. Vasakronan became a part owner in InfraCity in 1996 in conjunction with the acquisition of property related assets in Securum and acquired the remaining shares in 1999.

“We have been involved in the development of InfraCity into a modern business park, with offices and stores,” comments Håkan Bryngelson, President of Vasakronan. “Vacancies have fallen from approx. 50% when we took over to today’s approx. 25%. Among other actions, we have also invested in the InfraBusiness Center and a new parking garage.

“In today’s market situation, with low interest rates and strong demand, we have chosen to sell InfraCity and focus on our other properties in the Stockholm area. The sale of InfraCity affects Vasakronan’s key figures positively. Profit after net financial items increases and the vacancy level will decline.

Orion Capital Managers is an international private real estate investment company founded in 1999. Orion has to date two real estate funds, Orion European Real Estate Fund I and II (EUR 500 million of equity each). Investors are European and North American pension funds and government funds from the Middle East and Asia.

“This is the company’s first investment in Scandinavia,” says Aref H. Lahham, Managing Director & Founding Partner of Orion Capital Managers. “We consider that the Swedish real estate market can offer attractive returns in the years ahead. The location of InfraCity between Stockholm and Arlanda has great potential to provide competitive offices and retail.”

For further information, contact:

Aref H. Lahham, Managing Director & Founding Partner, Orion	+33 (0)1 53.96.50.70
Håkan Bryngelson, President and CEO, Vasakronan	+46 (0)8-783 21 05
Leif Garph, Executive Senior VP, Stockholm Region, Vasakronan	+46 (0)8-783 23 05
Svante Torell, Senior VP Stockholm-Uppsala, Vasakronan	+46 (0)8-783 23 20
Bengt Möller, Senior VP Corporate Communications, Vasakronan	+46 (0)8-783 21 09

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Vasakronan AB is one of the leading real estate companies in Sweden. Vasakronan is the largest supplier of commercial premises, primarily office properties, with locations in Stockholm, Göteborg, Malmö, Lund and Uppsala.