

Press Release**3 February 2012**

An update from Kungsleden on tax rulings

The Administrative Court in Stockholm has reported its ruling on a case where listed Swedish property company Kungsleden appealed against the Swedish Tax Agency's decision to reject deductions for the impairment of *lagerandelar* (defined in Swedish law as a construction company's shareholding in a property management company) and the application of transitional provisions for the fiscal year 2009.

The tax claim resulting from this ruling is SEK 120 m, which was reported previously in the Annual Report for 2010 and Interim Reports during 2011. The Administrative Court's ruling will be subject to appeal at the Administrative Court of Appeal. Kungsleden regards this judicial decision as erroneous, and the company's definitive view remains that the company has complied with the laws and practice in place coincident with each tax return, a view shared by external experts on tax issues. No provision will be made in according to described background above.

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Detta pressmeddelande finns tillgängligt på svenska på www.kungsleden.se/press

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Kungsleden's strategy is to ensure sustainable high and stable returns proceeding from its existing holding, and through purchases and sales. As of 30 September 2011, the property portfolio comprised 639 properties with a book value of SEK 26.5 bn. The holding was located in a total of 142 municipalities, mainly in southern and central Sweden. Kungsleden has been quoted on OMX Nordic Exchange since 1999.

This press release is available in English at www.kungsleden.se/press