



Fabege AB (publ)

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Fabege and Peab sell fully developed property in West Kungsholmen

Fabege and Peab are selling their jointly owned (50/50) property Paradiset 29 on Lindhagensgatan in Stockholm to cross-border investment manager, Invesco Real Estate for one of their pan-European fund mandate.

The property is being sold as a company with an underlying property value of SEK 842m (100%) and will result in an after-tax profit of SEK 20m for Fabege, which will be recognised in the first quarter of 2010.

Fabege and Peab acquired what was at the time a bakery, Skogaholmsbageriet, in 2004. The bakery was demolished and developed into a new office and retail complex with food retailer ICA Maxi as its largest tenant. The property comprises 13,000 m² of retail space and 10,300 m² of offices plus garages.

Catella acted as adviser for the seller, while Invesco Real Estate's Nordic operating partner, Scius Partners, advised the buyer during the acquisition process.

“The property is fully developed and is an attractive investment property with good tenants, so it's a good investment for an institutional investor,” Christian Hermelin, Fabege's CEO, says.

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This constitutes information that Fabege AB (publ) may be legally obliged to publish under the Securities Market Act and/or the Financial Instruments Trading Act. The information was released for publication at 8:30 am on 4 February 2010.

Fabege AB (publ) is one of Sweden's leading property companies focusing on commercial premises. The book value of the company's property portfolio is approximately SEK 29.5bn. The portfolio is concentrated to the Stockholm region and has an annualised rental value of SEK 2.4bn and a lettable area of 1.5m square metres. Fabege's shares are listed on the Stockholm Stock Exchange, Large Cap segment.