

PRESS RELEASE

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Magnolia Bostad sells 327 rental apartments to Alecta

Magnolia Bostad acquires a plot of land from Skanska Sverige in Central Helsingborg, where the company intends to develop 327 homes, distributed over four blocks. The company also signs a sales agreement with Alecta regarding the apartments. The new homes will be developed as rental apartments and the total property value at completion is approximately SEK 550 million.

The project is part of H+, the Municipality of Helsingborg's project with the goal of rejuvenation of the southern parts of the city. The new buildings will complement the area with an updated architecture and will include elements that are typical for Helsingborg.

In October, Magnolia Bostad announced that the company had signed a declaration of intent for the sale of more than 2,000 rental apartments from six projects. The sale in Central Helsingborg is the first of these projects, and the buyer is Alecta.

"Earlier this fall, Magnolia Bostad signed a declaration of intent for the sale of more than 2,000 rental apartments from six projects. I please me to announce the first of these six agreements and also our cooperation with Alecta," says Fredrik Lidjan, CEO of Magnolia Bostad. "This is also the first construction contract we enter with Skanska. This is in line with Magnolia Bostad's goal to work with Sweden's best building contractors."

Construction start is estimated to take place in Q2 2016, with first occupancy during the second half of 2018.

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Magnolia Bostad was founded in 2009 with the vision of creating modern homes and residential environments through smart functions and attractive architecture. The company develops new housing, both rental apartments and tenant-owned apartments, mainly in attractive locations in Sweden's larger cities and regional capitals. We operate with a holistic view that aims to achieve long-term sustainable development for the society at large. Magnolia Bostad is listed on Nasdaq First North. Erik Penser Aktiebolag is engaged as the Certified Adviser for the Company.

More information about Magnolia Bostad can be found at www.magnoliabostad.se