MAGNOLIA

PRESS RELEASE **October 5, 2016**

Magnolia Bostad issues bond of SEK 400 million

Magnolia Bostad AB issues a 5-year senior unsecured bond loan of SEK 400 million pursuant to a bond frame up to SEK 1 billion.

The bond has a coupon of STIBOR 3M + 7.25 percent, without a STIBOR-floor, with quarterly interest payments and final maturity in October 2021. Magnolia Bostad will apply for listing of the bond on Nasdaq First North with a subsequent transfer of listing to Nasdaq Stockholm no later than 1 year after settlement.

The bond issue was placed successfully among the mainly Swedish investors, supported by further demand from other Nordic countries and continental Europe and the United States. Altogether, approximately 100 investors in the heavily oversubscribed issue.

The proceeds will be used partly for refinancing of outstanding bond, but mainly for general corporate purposes.

Pareto Securities acted as financial advisor in the transaction and Roschier has been the legal advisor to the Magnolia apartment.

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