

Revision of Kungsleden's financial target for Loan to Value (LTV)

The Board of Kungsleden has today adjusted the financial target for Loan to Value (LTV) ratio to a target value of 50 per cent. The LTV ratio is defined as interest-bearing liabilities less cash and bank in relation to the book value of the properties.

Kungsleden has for some years actively been working to reduce the financial risk of the company. This has been a part of the implementation of the new strategy which also includes a lower risk property portfolio. One important expression of financial risk is the amount of financial leverage as measured by Loan to Value (LTV). For the last two years, Kungsleden has had an LTV target consisting of an allowed range of 50-60 per cent with a mean value of 55 per cent through the property market cycle.

Following the completion of the new issue of shares this spring, the Board now considers it appropriate to adjust the LTV target further to reflect the company's desired risk profile. The new target means that Kungsleden will conduct its on-going business aiming at keeping the LTV ratio at around 50 per cent. Temporary fluctuations around the target value may occur but the Board does not deem it necessary to state an interval for fluctuations.

At the end of the first quarter 2017 the LTV ratio was 49.2 per cent.

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

This information is information that Kungsleden AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 1.20 p.m. CET on June 22, 2017.

Kungsleden is a long-term property-owner that provides attractive, functional premises that enrich people's working days. We create value by owning, managing and developing offices and other commercial properties in Stockholm and Sweden's other growth regions. A large portion of our properties belong to attractively located clusters where we also engage in the development of the whole area. Kungsleden's goal is to deliver an attractive total return on our properties and for our shareholders. Kungsleden is listed on NASDAQ Nordic Large Cap.

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