

Framework agreement with Slättö no longer conditional, scope increased to a minimum of SEK 7 billion

According to previously announced press release on November 25, 2016, Magnolia Bostad entered into a framework agreement with Slättö. The agreement involves Slättö acquiring residential projects from Magnolia Bostad with a value of at least SEK 5 billion, and may gradually be increased to SEK 14 billion.

The framework agreement is no longer subject to Slättö obtaining the necessary financing and the scope of the agreement has been extended from acquisition of a minimum of SEK 5 billion to a minimum of SEK 7 billion. The possibility of expansion up to SEK 14 billion remains. The agreement conjoin Slättö to acquire between approximately 3,500 to 7,000 residential units. The agreement is based primarily on the construction of rental units, the parties have the shared intention of developing approximately 25 percent of the apartments as tenant-owned units.

All projects except one (which is under negotiation) already exist in Magnolia Bostad's existing building rights portfolio. Below are projects covered by the framework agreement:

Part of Bredängshöjden	Stockholm
Part of Södra Håggviks gårdar	Sollentuna
Nätverket	Åkersberga
Hagby Park	Åkersberga
Lommarstranden	Norrtälje
Norrtälje Hamn	Norrtälje
Sportflygaren	Örebro
Flygledaren	Örebro
Senapsfabriken, phase 3	Uppsala
Part of Mejeriet	Helsingborg
Part of Bunkeflostrand	Malmö
Slipsen	Lund

– Our cooperation with Slättö now takes a big step forward, which is extremely pleasing. We look forward to developing attractive housing environments for many years to come together with Slättö. Through the framework agreement, we have secured a reputable and long-term owner of much of our project portfolio, which significantly reduces the company's exposure to potential future market risks. says Fredrik Lidjan, CEO of Magnolia Bostad.

For more information, please contact:

Fredrik Lidjan, CEO
+46 70 223 43 47, fredrik.lidjan@magnoliabostad.se

Mikaela Senator, IR Manager
+46 70 775 57 57, mikaela.senator@magnoliabostad.se

Magnolia Bostad develops efficient, attractive and functional residential properties, including rental apartments, tenant-owned apartments and hotels, in attractive locations primarily in Sweden's growth areas. Our work is based on a holistic approach where the operations are conducted in a manner that promotes long-term, sustainable urban development. Magnolia Bostad's share (MAG) is listed on Nasdaq First North Premier. Erik Penser Bank is the Certified Adviser for the Company. More information is available at www.magnoliabostad.se