

Heimstaden

9 October 2020

Heimstaden Bostad successfully prices EUR 500m in hybrid capital

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Heimstaden Bostad AB yesterday successfully priced an issuance of a EUR 500 million subordinated perpetual hybrid bond (Capital Securities) with an annual fixed rate coupon of 3.375% and a non-call period of 5.5 years. The issue attracted strong interest and the book peaked at more than two times the nominal amount.

S&P will classify the hybrid as having intermediate equity content and has assigned a 'BB' rating to the issue. The proceeds will be accounted for as 100% equity according to IFRS and will be used for general corporate purposes, including new investments.

Commenting on the transaction, CFO Arve Regland said:

"We are pleased to see continued strong interest in Heimstaden Bostad from the capital markets. This latest issuance provides us with funds to execute on our strategy while maintaining a robust and balanced capital structure as we continue our journey towards a 'BBB' rating."

An application will be made for the bond to be listed on Euronext Dublin. The final listing particulars, once published, will be made available on www.ise.ie and www.heimstadenbostad.com.

Danske Bank, Deutsche Bank, J.P. Morgan and Nordea acted as Joint Structuring Agents and Joint Bookrunners for the issue.

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Heimstaden Bostad is a leading real estate company in Europe, with a focus on acquiring, refining, developing and managing housing and premises. Through our values Care, Dare and Share, we create value for our owners and caring homes for our tenants. Heimstaden Bostad has about 100,100 apartments and a property value of approximately SEK 135 billion. The head office is located in Malmö, Sweden. For more information, visit www.heimstadenbostad.com.

This information is such information that Heimstaden Bostad AB (publ) is obliged to publish in accordance with the EU Market Abuse Regulation. The information was submitted, through the agency of the above contact persons, for publication on October 9, 2020 at 14:15 CEST.

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