



INVEST:SWEDEN

Real Estate 2011/2012

A prime European investment market





Welcome to Sweden!

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The strongest economy in Northern Europe



Remarkable economic growth in combination with a stable business environment, a highly skilled work force and large focus on sustainability. These are just a few of the factors that make Sweden very attractive for investors.

Sweden's economy grew by a remarkable 5.6 percent in 2010, at a time when most European countries performed poorly. Boosted by strong domestic consumption and an export sector well positioned to supply the fast-growing economies of Asia and Latin America, the economy is expected to grow by another 3.8 percent in 2011. Strong public finances have made possible recent broad reductions of the personal income tax. The banking sector is sound and highly profitable.

One of the world's most competitive countries

A stable and transparent business environment, a highly skilled workforce, world-class scientific infrastructure and a well-recognized capacity for innovation contribute to Sweden's prominence in competitiveness rankings.

Sweden is ranked number 2 in the world by the World Economic Forum. Sweden boasts a large number of global brand names across a wide range of industry sectors. Ericsson,

IKEA, SKF and Volvo are examples from the telecom, home furnishing, engineering and automotive sectors. Other important sectors include financial services, life sciences, pulp and paper, and retail.

A strong presence of multinational companies, many with regional headquarters for Northern Europe located here, contribute to Sweden's international business environment.

Easy, safe and sustainable business

Skilled professionals, smooth business procedures and receptivity to international property ownership make Sweden an easy country to operate in.

The legal system and public sector respond well to investor demands for service, security and cost-efficiency. Businesses and government stress training and education at all ages, reflecting a national commitment to lifelong learning. Continuous upgrading of skills has allowed Sweden to stay at the cutting edge of applied research and development.

Sweden has a legacy of being an inclusive society with strong social cohesion. Equality between men and women, sustainable development and human rights are deeply engrained in the national mindset.

Sweden has long been recognized as an international leader in environmental protection and is currently engaged in an ambitious drive to become the world's first oil-free economy by 2020.

Activities getting back to normal again

Interest in doing business in the Swedish property market increased markedly in 2010 with a total transaction volume of SEK 110 billion, which is more than twice the turnover in 2009. Although volumes are not quite back to where they were before the financial crisis, it seems clear that transaction activity is normalising.

According to the independent real estate adviser Leimdörfer, the increased activity can be explained by a number of factors. The strong recovery is due mainly because of the strengthening of the banking sector, which in turn has improved the financing environment in relation to the property market. Increased activity on the labour market also contributes to demand for space. All in all, the improved fundamentals have generated increased investment activity in 2010.

Not only the total transaction volume increased in 2010, but also the average deal size amounting to SEK 275 million in 2010, compared to SEK 160 million in 2009. In 2010, 18 transactions exceeding SEK 1 billion in property value took place in Sweden, whereas the same figure in 2009 was only four. It is obvious that residential portfolios and core single assets have been in focus and that Swedish institutions have been very aggressive on the buy side throughout 2010.

The two largest transactions in Sweden 2010 are divestments of residential portfolios; Norwegian investor Acta divested 11,100 apartments to the First Swedish Pension fund and Vasakronan divested 8,000 apartments to the Fourth Swedish Pension Fund.

The largest transaction in Stockholm CBD was the German property fund Commerz Real's divestment of the 70,000 m² CBD property 'Klara Zenit' to Vasakronan, owned by the First, Second, Third and Fourth Swedish Pension funds. 2010 has also witnessed several large commercial portfolio transactions. For example, Landic VI A/S (in receivership) sold a SEK 2.4 billion office portfolio with assets located primarily along the northern east coast of Sweden.

Looking ahead

According to Leimdörfer, there is currently a strong desire for investment among, for example, new property funds, wellcapitalised property companies and, not least, institutions that want to increase their exposure to property. The current situation with extraordinarily strong public finances, low interest rates and improved access to financing looks to offer plenty of interesting investment opportunities in the near future.

The attractive yield gap (the difference between interest rates and property yields), in particular for secondary assets, in combination with the availability of bank debt, creates opportunities for leveraged investors to achieve relatively high returns, which eventually will put downward pressure on yields.

THE LARGEST PROPERTY OWNERS IN SWEDEN

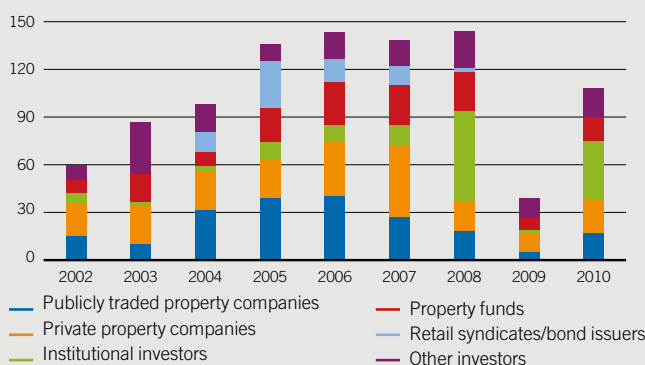
Aberdeen Property Investors, UK	CA Fastigheter, Sweden	Hufvudstaden, Sweden	Skanska, Sweden
Acta, Norway	Castellum, Sweden	Humlegården, Sweden	Stena Fastigheter, Sweden
AFA Fastigheter, Sweden	Dagon, Sweden	ING Real Estate, Netherlands	SveaReal, Norway
Alecta, Sweden	Diligentia, Sweden	Klépierre, France	Unibail-Rodamco, France
Akademiska Hus, Sweden	Diös, Sweden	Kungsleden, Sweden	Valad Property Group, Australia
Akelius, Sweden	Dombron, Sweden	London and Regional, UK	Vasakronan, Sweden
AMF Pension, Sweden	Fabege, Sweden	Niam, Sweden	Vital, Norway
AtriumLjungberg, Sweden	Fastighets AB Lundbergs, Sweden	Nordisk Renting, UK	Wallenstam, Sweden
Balder, Sweden	GE Real Estate, US	Norrporten, Sweden	Wihlborgs, Sweden
Boulton, UK	Heimstaden, Norway	Northern European Properties, UK	
Brinova, Sweden	Hemfosa, Sweden	SEB Trygg Liv, Sweden	

Source: Newsec, 2011

Investment market overview

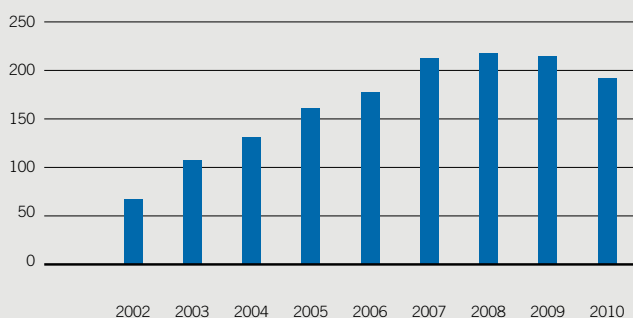
Investments by investor category

SEK billion



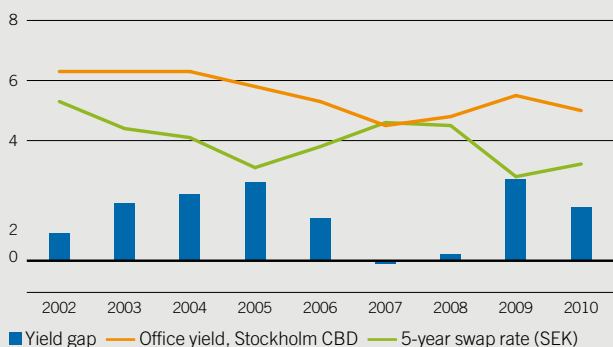
Investments by international investors

Investment stock by acquisition value, SEK billion, 2002-2010



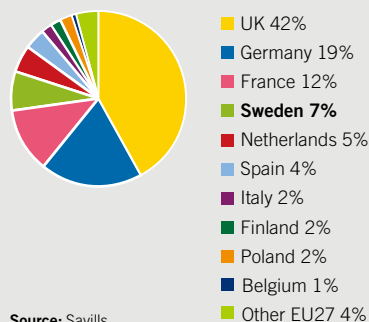
Office yield gap, Stockholm CBD

Percent



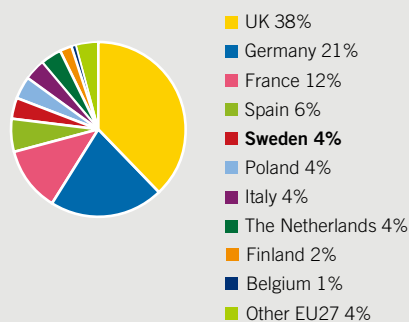
Largest European investment markets

Share of total transactions 2010



Largest recipients of cross-border investment

Share of total European cross-border transactions 2010



Top ten investment cities

Investment turnover 2010, € billion *

Paris	16,554
London	14,010
Stockholm	3,970
Berlin	3,000
Hamburg	1,875
Frankfurt	1,750
Munich	1,700
Madrid	1,292
Düsseldorf	1,250
Milan	1,180

* Excluding multi-city portfolio transactions, where the value cannot be broken down.

Source: Savills, 2011

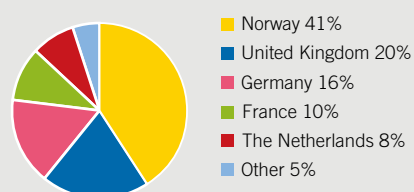
Selected cross-border transactions 2010

Buyer	Seller	Property unit	Price, MSEK	Area, m ²
Willhem AB (AP1), Sweden	Acta, Norway	Residential property portfolio	7,000	860,000
Pandox, Sweden	Norgani, Norway	Hotel property portfolio	4,400	n/a
Vasakronan, Sweden	Commerz Real, Germany	Office property 'Klara Zenit' in Stockholm CBD	4,350	70,000
Kungsleden, Sweden	NR Nordic & Russia Properties, UK	Office and industrial property portfolio	3,600	825,000
AMF Pension, Sweden	Deka, Germany	Office property 'City Cronan' in Stockholm CBD	2,800	42,000
Hemfosa, Sweden	Landic VI, Denmark	Office property portfolio	2,400	300,000
Diligentia, Sweden	Boulton, UK	3 shopping centres	1,440	132,000
Vasakronan, Sweden	Bank of Ireland private investor syndicate, Ireland	Office property in Stockholm CBD	1,068	15,000
KLP, Norway	RBS Nordisk Renting, UK	Office property in Stockholm	1,000	57,000
Invesco Real Estate, UK	Fabege/Peab, Sweden	Office and retail property in Stockholm	842	23,300
Hemfosa, Sweden	Landic VII, Denmark	Office property portfolio in Stockholm	1,760	37,579
Balder, Sweden	GE Capital, US	Office property portfolio in Gothenburg	600	42,000
Deka, Germany	Skanska, Sweden	Office property in Stockholm	576	14,500
Union Investment, Norway	Fabege, Sweden	Office property in Stockholm	555	21,600
Kungsleden, Sweden	NREP, Denmark	7 retail properties in multiple cities	520	48,500
Wihlborgs, Sweden	Nordic Land, UK	Retail property 'Knutpunkten' in Helsingborg	490	n/a
Alecta, Sweden	Sjælsø, Denmark	Retail properties in Helsingborg	427	30,000
Doughty Hanson, UK	Sveafastigheter, Sweden	Office property in Gothenburg	n/a	48,000

Source: Leimdörfer 2011

International investor origin

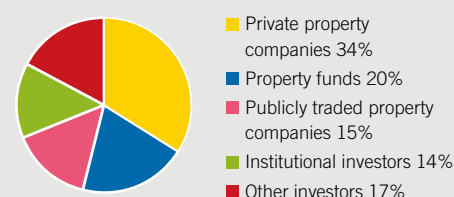
Share of cross-border acquisitions 2010



Source: Leimdörfer

Type of investors

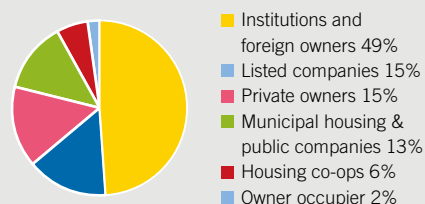
Share of total investment market 2010



Source: Leimdörfer

Ownership Swedish commercial properties

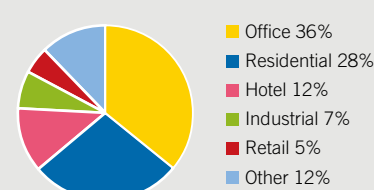
Estimated market value 2010, SEK 760 billion



Source: Newsec

Type of premises by main use

Share of total transaction volume 2010



Source: Leimdörfer



Green buildings and sustainability in focus

A green wave is flowing through the global real estate industry. To construct, own or to stay in environmentally friendly buildings is rapidly becoming a pivotal question, for developers and owners as well as for tenants. With a long standing tradition of high building standards, Sweden is well positioned to claim a position at the fore-front in the area of green buildings, both when it comes to sustainable development of new real estate properties, as well as raising the quality and eco-awareness in already existing property.

“It is essential to be environmentally certified today. As good as all new office building projects in Sweden are started with the ambition to be certified, and when refurbishing existing property just about everyone has the highest level of ambition”, states Bengt Wånggren, CEO of Sweden Green Building Council. This year the SGBC aspires to become the official Swedish branch of the international Alliance World Green Building Council.

The SGBC is an industry initiative, founded by representatives from 13 Swedish leaders in the building and property sector. The mission is to help companies and organizations in reaching their real estate-related environmental objectives. The SGBC does this by offering four different models for environmental certification as well as offering training and knowledge for those working with the certification process. Having worked for many years as a top level executive of the Swedish

Real Estate industry, Bengt Wånggren has over the past few years observed a steady increase in the demand for environmental certificates, and for the know-how on to guarantee a quality controlled certification process. The reasons for this, he believes, are both a true concern about a sustainable environment, as well as a market driven need for keeping on par with the competition. If everybody else is going green, you will also need to move in this direction.

“One of the drivers behind the green wave is, of course, competition and profits. No one wants to be the last one left with the bad old non-environmentally friendly buildings. Most investors want a real estate portfolio that is on top of the line”, says Bengt Wånggren.

“And those who invest in the best property want it to be visible, to gain the recognition of others”, he claims.

There are approximately 3,000,000 buildings in Sweden,

A global and growing industrial initiative

The International Alliance World Green Building Council, World GBC has set up regulations for how to set up and operate a national Green Building Council. As of October 2010 the World GBC has 20 full member countries, and approximately 60 national Green Building Councils are currently under development. One of them is the Sweden Green Building Council, founded in 2010. Sweden Green Building Council today has more than 115 members.

A green building council shall

- be non-profit without private ownership
- be consensus based
- have representatives from all the industries in the building environment
- be transparent



whereof most are private one-family homes. Somewhere between 400 000 and 500 000 buildings in Sweden are classified as commercial, from an Energy declaration point-of-view. So far a modest number of those, some 400 buildings in Sweden has been certified by the SGBC, according to the four certification models offered (see fact box on right). Bengt Wånggren however foresees a much larger number of Swedish buildings to be certified in a near future.

“Today we observe a very rapid increase in the number of applications for becoming certified, and I do believe this increase will just continue growing. In 2011 we will probably reach 1,000 certified buildings and within just a few years the number will be at least 10,000” he states.

Swedish standards already higher than demanded

The certification systems are in themselves subject to rapid change, to stay on par with a fast-evolving industry and increased globalization.

Sweden has, Bengt Wånggren claims, even higher construction and energy standards than what are required within the frameworks for international classification systems. He is a member of LEED International Technical Committee, an international group of experts working on a new international release of the certification model. The new LEED International will be ready for release in 2012, and he hopes that it will include methods and materials already in wide spread use in the Swedish real estate industry.

“In many ways the Swedish building standards already surpasses the level of quality demanded in the certification systems. My role on the LEED Committee will be to bring our standards to the forefront, so that we are justly rewarded in the future evaluation systems for the high level of quality that we already offer in Sweden”, Bengt Wånggren concludes.

The four certification systems offered by SGBC

An environmental certification serves to lower the environmental impact of the building with the long-term objective of a sustainable society. Besides the environmental benefits it may also raise the value of the property, making it an even better investment for the developers and owners. Among the many certification systems available, Sweden Green Building Council has selected four of them that can be adapted to fit most kinds of Swedish buildings, at a reasonable cost.

- **The BRE Environmental Assessment Method (BREEAM)** from Great Britain is the most used environmental assessment system in the world. It is developed and administrated by BRE, an institute owned by an industry association. Since 1990 versions of BREEAM has been used to certify more than 115,000 buildings. Sweden Green Building has adapted BREEAM to Swedish conditions and will in 2011 be able to issue certifications.
- **EU GreenBuilding** was launched by the EU-commission in 2004, to give an incentive to construction and property companies to reach the European Climate Goals. The EU Green Building Program only comprises of energy performance. It is thus less expensive and requires less data collection and reporting than other systems. June 1, 2010 the administration of the program in Sweden was taken over by Sweden Green Building Council.
- **The LEED Green Building Rating System (LEED)** developed by the non-profit organization U.S. Green Building Council is the internationally most well-known assessment system. The first version was launched in 1999. SGBC is participating in developing a LEED International, which from 2012 may be used for certifying buildings in Sweden. SGBC also offers educational programs for LEED, and will participate in further development.
- **Miljöklassad byggnad (Environmentally Classified Building)** is a Swedish assessment system that has been developed in cooperation between the Swedish government, municipalities and companies. The system is adapted to Swedish conditions and gives grades based on 16 indicators such as energy, indoor climate and chemical substances. From 2011 the administration of the program is handled by Sweden Green Building Council.



The Swedish economy is bouncing back



Sweden's export-oriented economy was heavily affected by the fall in global demand instigated by the financial crisis. But a vigorous business community and strong public finance fundamentals are providing the basis for a rapid recovery.

With the passing of an unprecedented global financial and economic crisis, the performance of the Swedish economy is improving dramatically. The recovery is broad-based, with consumption, investment and exports all contributing to growth. Swedish exports are surging as demand is picking up in important markets.

Private consumption is fuelled by high consumer confidence and an expansionary economic policy, introduced to counteract the economic downturn. Strong public finances have made possible recent, broad reductions of the personal income tax. The repo rate set by Riksbanken, Sweden's central bank, is at historical lows. Inflation will remain subdued as spare capacity is still high and there is little upward pressure on wages. Unemployment is expected to decline slowly.

In tune with more favorable financing terms, returning confidence and an expansionary mood, business sector investment is increasing significantly. The Swedish economy will remain vibrant with growth expected to reach a remarka-

KEY FEATURES:

- Strong public finances.
- Innovative, well-performing economy.
- Highly international business environment.

ble 5.6% in 2010 and 3.8 percent in 2011. As many European countries are struggling to contain budget deficits and government debt, Sweden is expected to meet its medium-term budget surplus target of one percent. Sweden's shrinking government debt, now at just over 40 percent, is one of the lowest in Europe.

Competitive now and in the future

Sweden's economy is strongly integrated with Europe, which accounts for 70 percent of Swedish exports and 80 percent of imports.

Major trading partners are Germany, the US, the UK and the neighboring Scandinavian countries. Swedish companies are present in Central and Eastern Europe and in Asia, notably China, where some 500 Swedish companies are established.

The emergence in Sweden of a large number of multinational companies is both the result and the driving force behind the country's highly international business environment. Numerous companies of Swedish origin like AstraZeneca, Ericsson, H&M, Ikea, SCA, Scania, Securitas and Volvo have

a global presence. Simultaneously, Sweden is one of the most attractive European countries to foreign investors.

The foreign investment stock amounts to 75 percent of Gross Domestic Product, GDP, while the European average stops short at 45 percent. Sweden's 13,000 foreign companies employ almost 25 percent of the private sector workforce.

Sweden's business sector profile and dynamism suggest that the country is well positioned to remain an innovative, well-performing economy with high capacity to adjust to changing conditions. Sweden's core industries drive demand for sophisticated services and advanced technologies. Historically, the manufacturing industry has posted some of the fastest productivity growth rates in the world.

Solid platform for growth

Sweden has in the last two decades put in place a number of reforms, institutions and policies with the aim to underpin sustainable growth. Sweden's fiscal and monetary policies are geared to sustain a favorable macroeconomic environment. Government spending limits are set and agreed with

Parliament. The independent Riksbanken has maintained price stability with an inflation target set at two percent over the economic cycle. A number of structural reforms, deregulations and privatizations have also been undertaken.

The national pension system was reformed and made sustainable already in the mid 1990s. Numerous measures have been taken to further improve the business climate. The results are convincing: With an average annual growth rate of three percent in the last decade, before the onset of the global economic crisis, Sweden outperformed the Euro area by almost one percentage point per year.

Global competitiveness surveys regularly give Sweden top rankings, with high marks for R&D, innovation, the corporate taxation regime, infrastructure and public sector efficiency. The latest Global Competitiveness Report, published by the World Economic Forum, ranked Sweden as the world's second most competitive country.

The annual four percent of GDP expenditures on R&D contribute to Sweden's position as the number one in innovation performance among European countries.



Key economic indicators

	SEK bn	Annual change (%)			
	2009	2009	2010*	2011**	2012**
Supply and demand					
GDP at market prices	3,089	-5.3	5.6	3.8	2.9
Household consumption	1,527	-0.4	3.6	3.2	3.1
Public consumption	858	1.7	2.0	1.7	0.7
Gross investment	550	-16.3	4.7	10.6	8.2
Stockbuilding (change in % of GDP)	-47	-1.5	2.2	-0.3	-0.2
Exports of goods and services	1,495	-13.4	11.1	8.2	5.9
Imports of goods and services	1,294	-13.7	12.5	8.9	6.8
Prices					
Inflation (CPI)		-0.3	1.3	2.2	2.2
Production					
Goods and services industries	2,085	-7.4	7.2	4.9	4.0
Employment					
Unemployment rate (% of labor force)		8.4	8.5	7.9	7.6
Labor market program (% of labor force)		2.7	3.9	3.6	2.8
Public finance					
Government expenditure (% of GDP)		53.2	51.2	50.1	49.4
Government net lending (% of GDP)		-1.0	-0.8	0.0	0.1
Government debt (% of GDP)		42.1	42.3	40.4	38.8
Balance of payments					
Current account (% of GDP)		6.8	6.2	6.3	6.0
Interest rates					
Repo rate (end of year %), set by Riksbanken		0.25	1.25	2.00	2.75
Bond rate (10-year, end of year %)		3.2	3.1	3.9	4.4
Sovereign credit rating					
	Rating	Outlook			
Fitch	AAA	Stable			
Moody's	Aaa	Stable			
Standard & Poor's	AAA	Stable			

* NIER Preliminary figures ** NIER Forecast *** According to Maastricht criteria SEK 1 = € 0.10, USD 0.14

Source: National Institute of Economic Research (NIER) Central Bank of Sweden, December 2010

GDP Growth

2010, percent

1. Sweden	4.4
2. Germany	3.5
3. Finland	2.7
4. US	2.7
5. Denmark	2.2
6. UK	1.8
7. Netherlands	1.7
8. Euro area (average)	1.7
9. France	1.6
10. Norway	0.5

Source: OECD 2010, Figures are preliminary

Inflation rate

2010, percent

Netherlands	0.8
Germany	1.0
Sweden	1.1
Finland	1.4
Euro area	1.5
France	1.6
US	1.7
Denmark	2.3
Norway	2.4
UK	3.1

Note: Figures for 2010 are preliminary.

Source: OECD, 2010

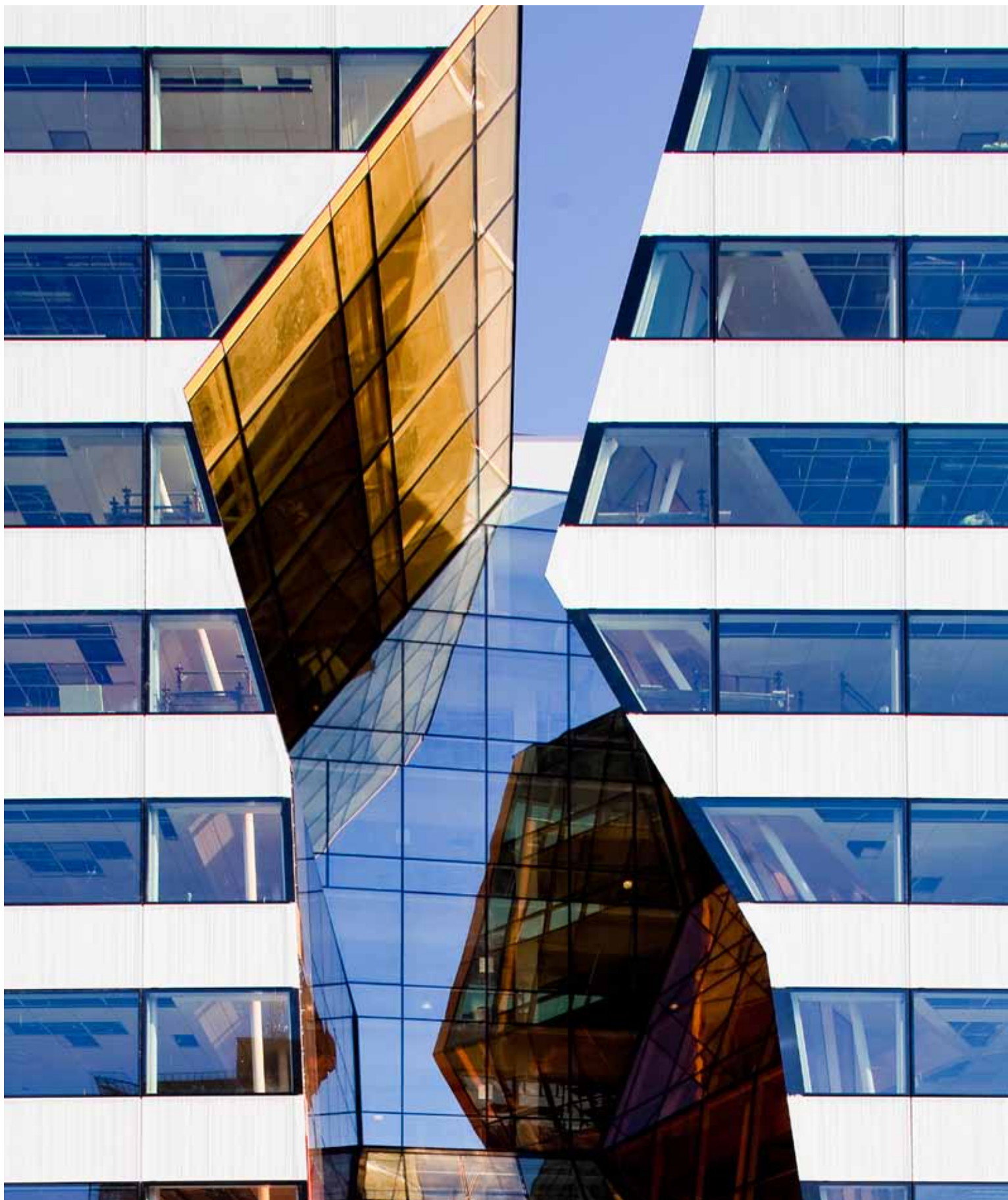
Corporate tax rate

2010, percent

Ireland	12
Poland	19
Denmark	25
Netherlands	25
Sweden	26
Finland	26
Norway	28
UK	28
Germany	30
France	33

Note: Figures for 2010 are preliminary.

Source: PWC, 2010



A fiscal system for property investment

Sweden has an uncomplicated taxation structure and competitive corporate taxes. Sweden applies participation exemption, has no thin capitalization rules and allows full deduction for interest in most cases.

Investments in Swedish property can be made through a limited liability company ("AB"), a non-resident company, or a partnership. Investors normally adopt either a resident or a non-resident holding company structure, for example a holding company owning stock in one or more subsidiary companies.

Mostly indirect transactions

Capital gains tax exemption normally applies for Swedish corporate entities for gains related to the disposal of shares (for further information see fact box 1, page 14). These rules, in combination with the fact that real estate transfer tax is not levied on indirect transfers of real estate, have resulted in transfers of real estate properties being made often through indirect transactions.

Use of special purpose companies

Even if an investor is offered to acquire a property in a direct transaction, the investment would more likely be effected through a Swedish special purpose company. This simplifies holding and increases flexibility in a later disposal. The owner of Swedish property may use an intercompany reorganization by partial division to transfer the property to the special purpose company. No transfer tax is levied on a property transfer through partial demerger. Should the property be transferred to the special purpose company through a direct asset transfer, transfer tax would be levied.

Competitive corporate taxes

Sweden's corporate income tax rate is 26.3 percent, but the effective tax rate is lower due to the possibility of deferring taxation of profit. Computation of taxable income is based on statutory accounts, to which certain adjustments are made for tax purposes. Interest expenses on externally borrowed funds, as well as property-related expenses, are tax-deductible for resident and non-resident companies and partnerships owning Swedish property.

KEY FEATURES:

- Competitive levels of corporate income tax.
- Tax exemption on gains related to the disposal of shares.
- No transfer tax on sale of real estate holding company.

Property Tax

The owner of property or site leasehold is liable for real estate tax at a rate of 0.5 – 1% on the tax assessment value, depending on the building's classification. The tax assessment value should equal 75% of the fair market value of the property, and is set by the Tax Agency. Real Estate tax is deductible cost for corporate income tax purposes. Depending on the kind of activities that are carried out in the building, buildings can be classified as Industrial Buildings (subject to 0.5% real estate tax) or as Commercial Buildings (subject to 1% real estate tax). Industrial buildings are generally set up for industrial and production activities, while for instance offices qualify as commercial buildings. Classification is made on a case to case basis. Stock, repair shops and gas stations fit within the definition of Industrial Buildings, while offices, shops, restaurants, tuition centers and car parks are examples of Commercial Buildings. To classify as an Industrial Building a predominant proportion of the building has to be set up for industrial activities.

Tax depreciation and actual latent capital gains

An annual depreciation rate for tax purposes of between 2 and 5 percent of the acquisition cost is allowed with respect to buildings. Parts of the building may be classified as building equipment and may be depreciated according to the same rules as machinery and equipment. Depreciation is not allowed for land. The tax basis on a property will remain unchanged in case of an indirect acquisition. Thus, no "step-up" in tax basis will be achieved for depreciation or capital gain tax purposes.

An investor should be aware that there is a "latent capital gain" related to the property. The seller most often makes an intra-group transfer of the property into the special purpose vehicle below market value which results in a latent tax issue in the special purpose vehicle.

Tax allocation reserve to smooth profit variations

Swedish tax legislation offers a general option to set up a "tax allocation reserve", in addition to an excess depreciation re-

serve. This allows companies to carry back losses to offset previous years' profits. One-fourth of the taxable income may be appropriated to this reserve. A particular year's allocation to the reserve can be released at the discretion of the company. The reserve must be released to taxable income at the latest in the sixth year after the year when it was added to the reserve. A taxable interest income is calculated on the total amount of reserves allocated by the beginning of the financial year. For financial year 2010 the interest rate amounts to 2.3 percent.

Group relief

Each company within a group constitutes a separate taxable entity. The group, as such, is not taxed. However, there are rules permitting the transfer of profits between group companies in the form of "group contributions", taxation of consolidated income is effectively achievable. An important requirement to qualify for group tax relief is that more than 90 percent of the common ownership has existed for the entire fiscal year, or, if the subsidiary was incorporated or acquired as an off the shelf company during that year, since the date when the subsidiary started to carry out business activities.

Dividends often exempt from withholding tax

Dividends distributed by a non-listed resident company to a foreign company are exempt from withholding tax, provided that the recipient would be exempt from taxation had the company been resident in Sweden.

For listed shares, the ownership must be at least 10 percent of the voting power and shares must be held for at least twelve consecutive months in order for the dividends to be tax exempt. Note that this requirement does not have to be fulfilled at the time of the dividends distribution, only before the shares are ultimately disposed of.

In cases where withholding tax will be levied, the ordinary tax rate is 30 percent, but it is often reduced by provisions in a

Sweden's holding company regime

- Sweden is among Europe's most favorable jurisdictions for holding companies, a result of participation exemption rules in combination with other tax rules and case law.
- Capital gains and dividends from business related shares are exempt from tax. The definition of business related shares is generous compared to other countries.
- Applies to shares held in, or dividends received from, companies in Sweden and abroad.
- Tax exemption also applies for capital gains on disposal of participations in partnerships, and on disposal of shares held by partnerships respectively.

Qualification for tax exemption

<u>Unlisted shares</u>	Always tax exempt – ie. no qualification time or minimum holding of votes or capital.
<u>Listed shares</u>	Must hold at least 10 percent of the voting rights or must be held in the course of the holder's business. Must be held at least one year.

Other competitive tax rules

- Low effective corporate tax rate
- Interests fully deductible for tax purposes
- No thin capitalization rules
- No withholding taxes on interests
- No stamp tax or capital duties on share capital
- Extensive double tax treaty network

double tax treaty. No withholding tax or branch profits tax is applicable to permanent establishments operating in Sweden, to which the shares in question pertain.

No thin capitalization rules

There are no thin capitalization rules in Sweden – interest paid is a tax-deductible cost. However, interest paid on a loan at a rate that is above the market interest rate may be non deductible. The added fact that withholding tax is not levied on interest makes structures where the return on investment is distrib-



uted as interest favourable. Specific features of Sweden's fiscal system make it possible to debt finance a stock acquisition in a real estate company and offset profits from current business against interest on loans related to the share acquisition.

Interest deduction limitation

Sweden has anti-debt push down rules which affect interest costs related to loans raised from affiliated companies in connection with intra-group acquisition of shares. The rules also cover loans from affiliated companies that replace loans raised by third parties for such purposes. However, deduction for interest is still allowed if the interest income is ultimately picked up at a tax rate of at least 10 percent or, alternatively, the intra-group acquisition and the intra-group loans are deemed to be 'commercially justified'.

The rules do not affect loans given by third parties, to the extent that such loans are not met by a receivable on the external lender by an affiliated company (back-to-back loans).

Possibility to carry forward losses

Losses may be carried forward without a time limit. Special rules apply when the ownership of a corporation changes.

Tax treatment on direct sale of real estate

Both resident and non-resident companies that own Swedish property are subject to Swedish corporate income tax on capital gains realized at the sale of real estate. Capital losses on sale of real estate can be offset only against capital gains on such assets, realized by the company or another company within the group. Losses on real estate may be carried forward without time limit.

VAT issues to consider

Sales and permanent letting of properties and premises are

Relevant Swedish taxes

Corporate income tax 26.3 percent. The effective tax rate is lower due to the possibility of deferring taxation of profit.

Property transfer tax Direct acquisition of the legal title to Swedish property is subject to 4.25 percent transfer tax (for legal entities). Property transfer tax is levied on the higher of the acquisition price and the tax assessment value of the property.

Value added tax (VAT) standard rate 25 percent. Sales and permanent letting of properties and premises are generally not subject to VAT. However, it is possible to opt for voluntary registration for VAT purposes regarding letting of business premises, provided that the business conducted on the premises are subject to VAT.

Annual property tax

Residential property	SEK 1,200/apartment or 0.4%*
Commercial office space	1.0%**
Industrial property	0.5%**

Stamp duty on mortgages 2 percent. Payable solely upon the first registration of a mortgage. Existing mortgages are transferred to the buyer upon acquisition.

Note: Tax rates applicable in January, 2011.

* SEK 1,200/apartment but not higher than 0.4% of the tax assessment value of the apartment.

** Tax is based on an assessment value set by the Swedish Tax Agency. This value is supposed to correspond to 75 percent of the estimated market value of the property.

generally not subject to VAT. However, it is possible to opt for voluntary registration for VAT purposes regarding letting of business premises, provided that the business conducted on the premises are subject to VAT.

Input VAT on transaction costs could under certain conditions be recovered.

Assuming that the company bearing the costs conducts business activities subject to VAT and that the costs are related to a transaction subject to VAT or to the VATable business in general, input VAT could be recovered.



Secure, reliable and cost-efficient for everyone



The legal system strikes a good balance between demands for security, reliability, transparency and cost-efficiency. It is well-suited for cross-border property investments.

A well-functioning property legal system must protect the interests of all parties involved – investors, creditors, tenants and the public. This means guaranteed predictability, reliability and security. Such a system should also be easy to operate in, with structural mechanisms to ensure low transaction costs. The Swedish property legal system responds well to each of these demands.

The regulation of property

The Swedish Land Code (Jordabalken) regulates all essential aspects of private real estate law, such as property fixtures, formal requirements, mortgages, usufructs (the right to use and derive profit from a property), easements, leases and the registration of property rights. All Swedish land is divided into property units which are individually identified by a name and a code. A property unit may be demarcated horizontally as well as vertically, thus creating a three-dimensional property unit. An important feature is that ownership is not only restricted

KEY FEATURES:

- Ownership includes buildings and other facilities.
- Property may be demarcated horizontally and vertically.
- No notary procedure required to transfer property.
- No need for title insurance.

to the land. The property unit also consists of accessories such as buildings or other facilities built above or below ground by the owner for permanent use. Furthermore, fixtures that have been installed in buildings by the property owner and that are intended for permanent use in the building are considered part of the property unit.

The Swedish land register

The boundaries of all property units and their ownership are registered in the Swedish Land Register (Fastighetsregistret). The Register contains information regarding the location of the property unit, the title holder, plans and regulations, mortgages, easements, tax assessment values and the purchase price for the last transfer. A buyer is obligated to register for title within three months of completing the transfer of property. Failure to register within the stipulated time will not, however, make the transfer invalid. Although most legal protection for a buyer derives from the agreement, the

registration in the Register is important for many reasons. For example, title registration is necessary for the buyer when applying for mortgages on the property and gives the buyer – in good faith – priority to title from the day of application for registration. The parties involved can depend on the information in the Register. If, for example, a registered title holder is proven not to be entitled to ownership of the property and has been granted new mortgages, the Swedish government guarantees compensation for any losses incurred by a creditor who, in good faith, has relied upon the information in the Register. Therefore, there is no need for title insurance and consequently it does not exist in Sweden.

Cross-border transactions

It is generally considered easy to do business in Sweden. Almost everyone speaks English and agreements and documentation in English are commonly used. Advisors have substantial experience in cross-border transactions. Share purchase agreements, real estate sale and purchase agreements, and lease agreements are generally less comprehensive than Anglo-American agreements, which is established market practice. Further, there are no restrictions on foreign ownership of property.

The use of special purpose vehicles

The Swedish Land Code stipulates certain formal requirements for a transfer of a property to be valid. Although direct sales of property has become more common in the aftermath of the global credit crunch, transactions where property is sold indirectly through legal entities still dominate the market. There are a number of reasons for this. It reduces transaction costs, as a sale of a company does not incur stamp duty. Sellers are also normally exempt from capital gains tax on the sale of shares in Swedish limited liability companies. In addition, an option to buy or sell shares in a company is legally binding whereas options on property are not. Commonly, the property-owning company is a newly established special purpose vehicle whose sole purpose is to own and operate the specific property. This ensures that the company's contingent liabilities are limited.

Sales processes

Most investment property is sold through dedicated real estate consultants, although sales directly by the owner do occur. Negotiations are often made directly with the prospec-

tive buyer or through its legal adviser. The sale may also be performed through a controlled auction, i.e. the buyer is selected at the seller's own discretion following a due diligence process in which a number of interested buyers have participated. However, controlled auctions have become less common due to reduced market activities.

Due diligence

In Sweden, due diligence work is often coordinated by the legal consultants or directly by the investor. As the liability of the sellers, especially in controlled auctions, is generally limited to the warranties given in the transfer agreement, the due diligence process is important. The process normally involves legal consultants, financial and tax consultants as well as technical and environmental consultants. As regards environmental issues, the Swedish Environmental Code (Miljöbalken) is primarily based upon the "polluter pays principle". However, it also contains provisions which may lead to a subsidiary liability for the property owner, as is the case in many jurisdictions.

Property development projects

The Swedish legal system places no restrictions on the acquisition of property development projects and agreements can be entered into during any phase of the project. The investor generally enters into a conditional sale and purchase agreement with a property developer. At the completion date, the developer is to deliver to the investor a fully developed property, including buildings and tenants. Incentive schemes are often built into the agreement, whereby the purchase price is a factor of the property's rental value. The parties can also agree on a model lease agreement and a model construction agreement that shall be used for the development and letting of premises within the property.

Creating and pledging mortgage security

The holder of the legal title to a property is entitled to take out a mortgage (Inteckning) in the property. A mortgage of any amount can be made, even an amount much higher than the actual market value of the property, but as there is a two percent stamp duty on the face value of the mortgage, the owner and its lender generally limit the mortgages to the lower end of the amount of the loan and the market value of the property. The mortgages are given chronological priority in the Swedish Land Register and information describing the

amount of each mortgage, which is a fixed sum, is also shown in the Register.

A mortgage can be made either in Swedish kronor or in euro. Each mortgage is evidenced by a mortgage certificate (Pantbrev) which can either be in physical form or in electronic form. In order to create a valid mortgage pledge in a property, the owner of the property must enter into a pledge agreement whereby the mortgage certificates are pledged as security for a claim from a creditor and the mortgage certificates must be delivered to such creditor.

A mortgage certificate is perpetual and can be used and reused without incurring any stamp duty or transaction costs other than the initial stamp duty of two percent when applying for the mortgage.

Mortgage financing provides strong security

The security interest of a creditor holding valid security in a property cannot be extinguished upon a sale of such property.

In the case of a bankruptcy proceeding, the creditor has priority and is entitled to an amount up to the face value of the mortgage certificates pledged to the creditor, plus an additional 15 percent out of the sales proceeds from the executive sale of the property.

Financial assistance restrictions

There are no thin capitalization rules in Sweden but there are legal restrictions as regards financial assistance. A Swedish limited liability company may not lend funds or provide security to its shareholders or sister companies. Nor may it give upstream or cross-stream guarantees.

There are certain exemptions available, inter alia if it is made to shareholders or sister companies within the same group (Koncern). Another important restriction in relation to acquisitions is the so called loan prohibition (Förvärvslåneförbudet).

A Swedish limited liability company may not lend funds, provide security or give guarantees to be used for the actual acquisition of the company itself. Given the common use of special purpose vehicles, this often means the target property cannot be used as security for the acquisition financing of the special purpose vehicle.

The drawback of this restriction is often mitigated by the lender trying to create a ring fenced security, especially in special purpose vehicle structures. Furthermore, it is still

possible for the special purpose vehicle to pledge mortgages in the property for its own business financing or refinancing.

Flexible security structures

In an attempt to keep transaction costs as low as possible (but also due to financial assistance problems) lenders have, for the last couple of years, accepted alternative security structures instead of maximizing the mortgage security. Such alternatives often include combinations whereby already existing mortgage certificates are pledged (but no new applications for mortgages are made) together with a ring fenced security structure, comprising pledges over the shares, bank accounts in and receivables of the property-owning entity, as well as sometimes so-called springing mortgages. The frequent use of special purpose vehicle structures facilitates such ring fenced security structures.

Guide to commercial rents

Payment terms Rents for premises are generally quoted in SEK, Swedish krona, as a total sum for the agreed space. Rental statistics and comparisons are quoted in SEK per square meter and year. The standard agreement anticipates advance quarterly or monthly rental payments. Rent adjustments during the term of the lease are based on changes in the Swedish CPI (Consumer Price Index).

Items included in the rent Office space is normally provided fitted to the needs of the tenant (within reason). Retail and industrial spaces are often provided without fittings. In general, rent includes heating and water but not electricity. Further, the rent usually includes cleaning of common areas and snow removal. Property tax and VAT are charged on top of the rent.

Day-to-day management and maintenance The landlord bears the costs of day-to-day management and exterior maintenance.

Key money and deposits Key money is rarely charged in the office sector, but is common in the retail sector. A security deposit or bank guarantee equivalent is common.

Improvements Construction work in the rented unit may only be undertaken subject to the express approval of the landlord. Such work is generally executed at the expense of the tenant and includes an obligation to rebuild to the original state when the agreement expires unless otherwise agreed.

Agreements Standard form agreements are often used and the typical agreement is a two to four-page document with standard appendices and special regulations.

Publicly owned property may be let as a site-leasehold

A property unit owned by a municipality or another public entity may be let as a site-leasehold (Tomträtt). A site-leasehold is very similar to ownership. The site-leaseholder may transfer, mortgage, let and, in all material respects, use the site-leasehold in the same way as the owner of a property unit may use its property. In return for the site-leasehold, the site-leaseholder pays a rent, based on the value of the property. The rent is reviewed every ten years, unless a longer period is agreed upon. In the absence of a mutual agreement on the new rent under revision either party can submit the matter to the court for final decision.

The rent is determined by the market value of the property (taking into account the current use of the property) at the time for review. The site-leasehold may be terminated by the property owner only at the end of certain periods of time. The periods are at least 20 years. The site-leaseholder is normally entitled to compensation for the value of buildings and other accessories to the site-leasehold if it is terminated. Deviations from the rules that normally apply to site-leaseholds may, in some cases, be made in the agreement, which should therefore be reviewed prior to purchase of a site-leasehold.

Commercial lease regulations tied to the Land Code Generally, commercial leases are entered into for a term of three to five years, with rents linked to changes in the Swedish CPI (Consumer Price Index). Further, the Swedish Land Code stipulates mandatory regulations in favor of the tenant. Most parties in Sweden therefore use standard agreements for commercial leases. A normal agreement consists of a four-page document and an appendix with special provisions.

Since parties are generally familiar with these agreements, the result is often shorter times for negotiating or analyzing lease agreements and thus lower legal fees. Rent levels must be set at a reasonable rental market value. If the parties cannot agree on the rent level, the regional rental tribunal may determine what constitutes a reasonable rental market value for the premises in question, by comparing similar premises at similar locations. However, the tribunal may only determine the market rent in connection with the extension of a lease. As regards the initial lease period, it is up to the landlord and the tenant to agree on the rent.

Energy performance of buildings

Sweden has implemented the EC directive 2002/91/EC on the energy performance of buildings. The act has been in force since 2006 and essentially means that buildings need to be declared for their energy performance. The declaration needs to be carried out by certified experts.

Regulated rental market for residential leases

Residential leases are generally entered into for an indefinite term with a three-month period of notice. With regard to residential leases the Swedish Land Code stipulates mandatory regulations in favor of the tenant. The rents set by the municipality housing companies are no longer normative. Instead, the rents for residential leases shall not substantially exceed the rents set through collective negotiations between tenants' associations and landlords. The rents are thereby still regulated but the legislative measures that have been taken means that public and private landlords will compete on equal terms.



Expansive regions in Sweden



The metropolitan areas of Sweden have over the years been very successful in attracting cross-border property investment, but there are great opportunities in regions and cities all-over Sweden. Virtually all major cities of Sweden show population growth and a steady increase in international ownership.

Sweden hosts a large number of innovative environments and industry clusters. Aerospace, automotive, energy, engineering, financial services, materials science, information technology and life sciences are some of the industries where Sweden and Swedish technology is at the global forefront. Industry activity is complemented by strong applied and basic research activity at universities. A survey by the European Commission, measuring innovation performance in 203 European regions, placed four Swedish regions among the top ten.

Strong support for innovative environments

The specific characteristics of Sweden's industrial and scientific asset base means Sweden is a particularly good

KEY FEATURES:

- Stockholm is Europe's 10th largest office market.
- Population growth in virtually all major cities.
- International ownership in most of Sweden's major cities.

setting for multi-disciplinary innovation – few places of a similar size offer such breadth of research expertise and know-how in complementary knowledge fields. There is strong public support to reinforce the most attractive innovative environments, to promote company growth and R&D, but also to stimulate inflow of investments, qualified staff and new companies.

International presence from north to south

The majority of cross-border property investments have been made in Stockholm, Göteborg and Malmö, the three largest cities and nodes of the suburban regions Mälardalen, West Sweden and Skåne/Öresund Region. Stockholm is Europe's 10th largest office market, while Göteborg is placed 31st and Malmö 44th.

However, international investments have been recorded all over the country. These have predominantly been made in one of Sweden's anchor cities – a region's administrative

capital, the largest city, a university city or, normally, a combination of the three. From north to south, they include Luleå, Umeå, Sundsvall, Uppsala, Karlstad, Västerås, Örebro, Norrköping, Linköping, Jönköping, Växjö, Karlskrona, Kristianstad and Helsingborg.

Stockholm – The First European Green Capital

Stockholm has been among Europe's most important investment markets for real estate for a number of years, and has remained so in spite of the financial crisis.

Stockholm, labelled the Capital of Scandinavia, is regarded as Northern Europe's commercial and financial hub. It is the preferred location for multinational companies and financial institutions that set up regional headquarters in Scandinavia. Stockholm drives economic growth in the Mälardalen region, which encompasses cities like Eskilstuna, Uppsala, Västerås and Örebro.

Stockholm has a stronger focus on private services than any other Swedish region. Industrial activity is concentrated in the information and communication technologies (ICT), financial services and life science sectors. Stockholm hosts one of the world's most prominent ICT clusters, one of Europe's largest life science clusters and is the largest financial centre in Northern Europe.

The region is entering a period of unprecedented construction volumes of both residential and commercial buildings as well as infrastructure. One example is the new large hospital, New Karolinska Solna, which is under construction and is considered one of the largest and most innovative healthcare projects worldwide. Stockholm is recognized as an environmental leader – the city was the first to be named European Green Capital 2010 and aims to be wholly independent of fossil fuels by 2050.

By 2030, the Stockholm region is estimated to have some 4 million inhabitants. To meet this growth, some € 30 billion (\$ 40 billion) is being invested in strategic city development and infrastructure projects from road, railway, harbour and airport expansion to investments in office, retail, residential and hotel property.

Göteborg – The gateway to Scandinavia

Göteborg, Sweden's second largest city, is renowned for its strong sense of community and pragmatic approach to collaboration between public and private entities. The city has the largest port in Northern Europe and is the focal point

Sweden's largest city regions

City region	Population 2009	Population growth 2006–2009, %
Stockholm/Södertälje	1,958,884	5.3
Göteborg	915,062	3.3
Malmö/Lund/Trelleborg	584,734	5.6
Helsingborg/Landskrona	252,977	3.6
Uppsala	230,277	4.6
Borås	198,507	1.4
Örebro	193,452	2.7
Gävle/Sandviken	176,267	1.1
Karlstad	174,135	0.3
Norrköping	171,656	2.0
Linköping	165,833	3.5
Västerås	160,856	1.8
Borlänge/Falun	158,287	0.7
Jönköping	156,951	3.3
Växjö	146,141	2.3
Umeå	144,397	1.4
Uddevalla	131,361	0.6
Eskilstuna	127,337	3.3
Östersund	126,657	–0.2
Halmstad	124,696	1.8
Sundsvall	123,544	0.5
Kalmar/Nybro	122,865	0.6
Trollhättan/Vänersborg	119,621	0.4
Luleå/Boden	106,589	–0.1
Kristianstad	104,489	1.9

Note: City regions are so called A-regions as defined by Statistics Sweden; a city/cities and associated municipalities.

Source: Statistics Sweden

Largest European office markets

Office stock 2010, million sq.m.

Greater Paris	50.3
Greater London	38.0
Munich	21.8
Berlin	18.6
Brussels	13.3
Madrid	12.8
Hamburg	12.8
Milan	12.5
Frankfurt	11.8
Greater Stockholm	11.1
Göteborg	3.3
Malmö/Lund	1.7

Source: Savills

for much of Scandinavia's industrial capacity. The city's industrial base is in advanced manufacturing, logistics and high-tech R&D, with headquarters or headquarters functions of companies such as Volvo Group, Volvo Cars, SKF, Ericsson, AstraZeneca, Stena and ESAB, among others. Some 50 percent of Scandinavia's total industrial capacity is located within a 300 kilometer radius of the city.

Göteborg also has significant activity in international trade and freight and is Scandinavia's leading export region. There is suitable infrastructure for transport via road, rail and sea – the Göteborg Region has on numerous occasions been ranked the best Swedish location for logistics centers. The Göteborg Region hosts over 2,000 foreign-owned companies, of which more than two-thirds have placed their headquarters in the region. The region is knowledge-intensive with more than 60,000 students and well-known higher education institutions including the Chalmers University of Technology and Göteborg University. The strategy for sustainable growth of the Göteborg Region is based on a comprehensive extension of regional infrastructure and public transport as well as large-scale development of the Göteborg city center, creating homes for 30,000 new inhabitants and commercial space for 40,000 new jobs.

Malmö – bridging the Swedish-Danish Öresund region

The Öresund Region is one of Europe's most dynamic regions,

with a strong industrial and scientific asset base and focus on growth and innovation. Over 3.6 million inhabitants live on the Swedish and Danish sides of the Öresund Strait, in an increasingly integrated region served by two international airports. The largest, Copenhagen/Kastrup, is accessed from Sweden in 20 minutes via the Öresund Bridge.

The cities of Malmö, Lund and Helsingborg are the economic hubs on the Swedish side. Corporate and research activity focus on sectors such as ICT, life sciences, food and food technology, and packaging. Lund is also home to the Lund University, one of the largest centers of research and higher education in Scandinavia.

Business activities also include services, retail and wholesale trades and logistics. Companies like Honda and Toyota have chosen Malmö to operate large Nordic logistics hubs. The city of Helsingborg has a strong focus on trade and retail and is currently undertaking a significant regeneration of the city center. Major developments also take place in the Hyllie district in Malmö, strategically located near the Öresund Bridge.

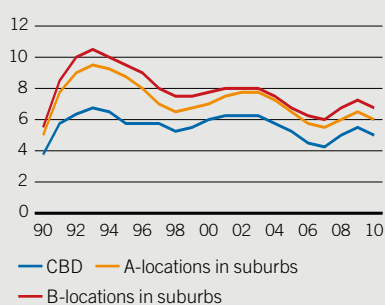
Two large international research centers (MAX IV, for synchrotron research, and ESS, a joint European material research facility) are being established in proximity to leading companies and the Lund University. These establishments will firmly position Lund as a global hub for advanced materials research.

Stockholm

Office stock, million square meters	11.9
Population (greater Stockholm)	1,958,884
Population growth, 2006–2009 (%)	5.3

Office yields Stockholm

1990–2010, percent



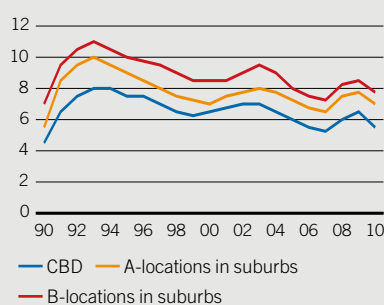
Source: Newsec

Göteborg

Office stock, million square meters	3.2
Population (greater Göteborg)	915,062
Population growth, 2006–2009 (%)	3.3

Office yields Göteborg

1990–2010, percent



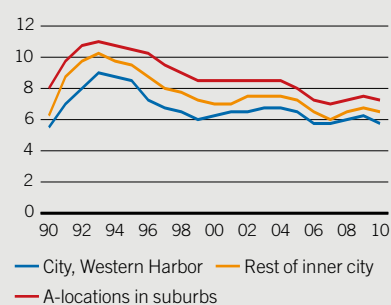
Source: Newsec

Malmö

Office stock, million square meters	1.8
Population (greater Malmö)	584,734
Population growth, 2006–2009 (%)	5.6

Office yields Malmö

1990–2010, percent



Source: Newsec

Eco-cities: the Swedish model

Swedish cities have integrated the planning of transport and traffic, water and sewage treatment, waste collection, employment and housing to create increasingly sustainable cities with low carbon footprints. Examples are found in all of Sweden's largest cities. The city districts of Hammarby Sjöstad in Stockholm and Western Harbor in Malmö, both constructed in former industrial areas, are some of the world's foremost sustainable city concepts. One of Sweden's major urban planning projects, Stockholm Royal Seaport in the north-eastern part of the inner city, promises to take the next step in sustainable city planning.

www.alvstranden.com

www.hammarbysjostad.se

www.malmo.se/sustainablecity

www.stockholmroyalseaport.com

Western Harbor, Malmö



Norra Älvstranden, Göteborg



Stockholm Royal Seaport



Hammarby Sjöstad, Stockholm

The Invest Sweden Real Estate project partners

This publication is produced by Invest Sweden and its partners in the Invest Sweden Real Estate project. Invest Sweden works to attract and facilitate foreign direct investment, by providing details about Swedish business conditions and investment opportunities, as well as introductions to government agencies, local authorities, and business organizations. All services provided are free of charge. The partners in the real estate project are listed below.

Real estate companies/ property owners

Castellum

www.castellum.se

Listed real estate company with SEK 32 billion portfolio by year-end 2010. Owns and manages 3.3 million sq.m. of commercial properties in Sweden's major urban regions.

Contact: Henrik Saxborn

JM

www.jm.se

One of the leading residential developers in the Nordic region. Also involved in project development of commercial properties, primarily in the Greater Stockholm area. Public limited company listed on the OMX Nordic Exchange.

Contact: Lars-Olof Höglund

NCC Property Development

www.ncc.se

NCC is one of the leading construction and property development companies in the Nordic region. NCC had in 2010 sales in excess of SEK 50 billion and 20,000 employees. NCC Property Development develops and sells commercial properties in defined growth markets in the Nordic and Baltic regions.

Contact: Joachim Hallengren

Swedish Property Federation

www.fastighetsagarna.se

The Swedish property owners' organization. Almost 17,000 members, representing over 43,000 properties. Six regional property associations across the country.

Contact: Reinhold Lennebo

Vasakronan

www.vasakronan.se

Sweden's largest property company. Owned by the First, Second, Third and Fourth Swedish National Pension Funds. Real estate assets valued at SEK 78 billion in Stockholm, Uppsala, Göteborg, Malmö and Lund.

Contact: Rebecca Ernarp

Law firms

Ashurst

www.ashurst.com

International law firm with 1,000 lawyers and 15 offices in 12 countries. European real estate practice with over 100 lawyers. The Stockholm office has approx. 30 lawyers.

Contact: Pontus Bergsten

Baker & McKenzie

www.bakermckenzie.com

International law firm with 68 offices worldwide. 46 lawyers at the office in Stockholm. Real estate practice in Sweden with seven attorneys.

Contact: Jan Alexanderson

Cederquist

www.cederquist.se

Independent law firm with 95 lawyers and office in Stockholm. Real estate practice with ten attorneys.

Contact: Erika Åslund

DLA Nordic

www.dlanordic.se

Leading international law firm with 80 lawyers at the office in Stockholm. The real estate group, with over 550 lawyers globally, is the world's largest real estate practice and includes 16 Swedish lawyers.

Contact: Anders Malmström

Glimstedt

www.glimstedt.se

Independent law firm with 190 lawyers in 14 offices in Sweden, Estonia, Latvia, Lithuania and Belarus. Real estate practice in Sweden with 30 attorneys.

Contact: Jan Litborn

Hamilton

www.hamilton.se

Full-service commercial law firm with approximately 60 lawyers. Real estate practice with seven attorneys.

Contact: Per Månsson

MAQS Law Firm

www.maqs.se

International law firm with more than 225 lawyers and eight offices in the Nordic and Baltic countries. Leading real estate practice.

Contact: Patric Olofsson

Real estate advisors

Catella Corporate Finance

www.catellaproerty.se

Transaction advisor with 360 staff in 12 European countries. In Sweden, offices in Stockholm, Göteborg and Malmö and 50 staff focused on real estate and capital market transactions.

Contact: Niklas Zuckerman

Leimdörfer

www.leimdorfer.com

Independent Nordic real estate adviser with 35 transaction professionals in Sweden and Finland. Work exclusively with property-related advisory services across four business areas: Transactions, Corporate Finance, Financing and Strategic Advisory.

Contact: Sven Dahlin

Newsec

www.newsec.se

Full-service real estate advisor in Northern Europe with over 550 employees with 12 offices in 7 countries.

Contact: Marie Bucht

Pangea Property Partners

www.pangeapartners.se

Independent full-service Nordic corporate finance/advisory firm focusing on the property sector. Offices in Stockholm and Oslo with 45 professionals. The company's assignments are primarily within property transactions and property development, strategic and financial advice (including IPOs, restructuring, equity capital market and debt capital markets).

Contact: Bård Bjølgerud/
Olof Johansson

Savills

www.savills.se

Savills is a leading global real estate service provider covering Sweden and the Nordics. With 22 professionals working at the Stockholm and Gothenburg offices, Savills offers a broad range of specialist consultancy and transactional services.

Contact: Tomas Henrikson/
Linda Graff-Lonnevig

Tenzing

www.tenzingab.se

Partner-owned advisory firm focused on property transactions, capital markets and corporate finance in the Nordic markets. 28 professionals with expertise in office, retail, logistics, industry, hotel and residential property.

Contact: Tom Lindahl

Ernst & Young, Real Estate

www.ey.com

International assurance, tax, transaction and advisory services firm with a real estate specialist group of 7,500 advisors globally whereof 150 in Sweden.

Contact: Ingemar Rindstig

PwC

www.pwc.se

International assurance, tax and advisory firm with 3,600 staff and 125 offices in Sweden. Real estate practice with 65 advisors specialized in valuation, transaction support / M&A, deal structuring and consulting. Contact: Robert Fonovich

Operating partner

Vencom Property Partners

www.vencom.se

Vencom is actively searching for new investment opportunities and acts as

a local operating partner, asset manager and co-investor, taking on an overall responsibility for the fulfilment of the agreed business plan. Vencom strives to create focused investment strategies and to build a team around each strategy that has a high degree of specialized knowledge. Contact: Johan A. Gustafsson/Thorsten Slytå

Regional investment organizations

Business Region Göteborg

www.businessregion.se

A public non-profit company that works to strengthen and develop trade and industry in the Göteborg region. Provides inward investment services to foreign companies. Contact: Roger Strömberg

Invest in Skåne

www.invest.skane.com

The regional government authority, also responsible for investment promotion in southern Sweden. Provides advisory services to companies considering Skåne Southern Sweden for future investment and/or expansion. Contact: Douglas Almquist

Stockholm Business Region Development

www.stockholmbusinessregion.com

The official investment promotion agency of Stockholm. Providing information, advice and practical assistance to corporate investors about business opportunities. All services are free of charge to companies setting up or expanding business operations in Stockholm. Contact: Johan Callin

Useful links

Lantmäteriet

www.lantmateriet.se

Hosts the Swedish Real Property Register and supplies other real property data.

Central Bank of Sweden

www.riksbank.se

Source for statistics within a number of different areas, including exchange rates and interest rates.

Statistics Sweden

www.scb.se

The central government authority for official statistics.



Photos: Pages 2, 9, 16, 19, 20 and coverpage: iStockphoto. Pages 6, 12, 15 : Vasakronan. Pages 8, 14 : Castellum. Page 14: NCC. Page 15: JM. Page 1: Skanska. Page 6/7: White view. Page 25: Stockholm Waterfront Congress Center. Pages 10, 16: Åke E:son Lindman



Invest Sweden is the official investment promotion agency of Sweden. We connect international companies with the best business opportunities in Sweden and offer one-stop comprehensive investment consultancy services, free of charge and in full confidentiality.

Our services range from data collection, opportunity search, entry planning, networking and establishment support – everything to make your business successful in Sweden.

Since the inception in 1996, our experts have supported over 3,000 international companies in doing business in Sweden. Invest Sweden has offices in China, India, Japan, North America and Brazil.

We also work through Swedish embassies and consulates around the world, as well as with an extensive regional network in Sweden.

www.investsweden.se

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STOCKHOLM

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