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Press release number 16

Gothenburg, May 18, 2016

Castellum announces terms for rights issue

Castellum AB (publ) ("Castellum") announced 13 April, 2016, that the Board of Directors has resolved to, subject to the approval by the Extraordinary General Meeting, launch a fully underwritten rights issue with preferential rights for Castellum's shareholders (the "Rights issue") in order to finance part of the acquisition of all shares in Norrporten AB (publ) ("Norrporten"). Today, Castellum's Board of Directors announces the terms and conditions for the Rights issue.

SUMMARY

- Shareholders in Castellum have preferential right to subscribe for one (1) new share per two (2) existing shares, i.e. an issue ratio of 1:2.
- The subscription price is SEK 77 per new share, which results in total issue proceeds of approximately SEK 6.3 billion before issue costs, assuming that the Rights issue is fully subscribed.
- The Rights issue is fully underwritten by a consortium of banks that have, subject to certain conditions, committed to, subscribe for any shares not subscribed or paid for by others in the Rights issue.
- The Rights issue is subject to approval by the Extraordinary General Meeting on May 20, 2016.

TERMS AND CONDITIONS FOR THE RIGHTS ISSUE

Those who are registered by Euroclear Sweden AB as shareholders in Castellum on the record date May 24, 2016, have preferential rights to subscribe for new shares in the Rights issue. For each share held in Castellum one (1) subscription right is received. Two (2) subscription rights entitle to subscription of one (1) new share. In addition, investors are offered to subscribe for shares without subscription rights.

If not all shares are subscribed for with support of subscription rights, the Board of Directors will resolve on the allocation of shares subscribed for without subscription rights as follows: i) firstly, the shares shall be allotted to those that have applied for subscription and subscribed for shares by exercising subscription rights, regardless of the subscriber being a shareholder or not on the record date, and, in case of oversubscription, in proportion to the number of subscription rights used for subscription of shares, and where this is not possible, by drawing of lots, ii) secondly, the shares shall be allotted to others that have applied for subscription without subscription rights and, in case of oversubscription, in proportion to the number of shares that each has applied to subscribe for, and where this is not possible, by drawing of lots, and iii) thirdly, any remaining shares shall be allocated to those who have underwritten the Rights issue, pursuant to a specific agreement with the Company, with distribution in relation to the size of their respective underwriting commitments.

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The record date of Euroclear Sweden AB for determining which holders of shares are entitled to receive subscription rights is May 24, 2016. The shares are traded including the right to participate in the Rights issue up to and including May 20, 2016.

The subscription price is SEK 77 per new share. Assuming that the Rights issue is fully subscribed, the share capital will be increased by SEK 41 million by a new issue of 82 million new shares. Assuming full subscription, total issue proceeds amount to approximately SEK 6.3 billion before issue costs.

Subscription of new shares shall be made during the period from and including May 26, 2016 up to and including June 9, 2016. Castellum's Board of Directors has the right to extend the subscription period. Any extension will be published by the Company no later than June 9, 2016.

Shareholders who choose not to participate in the Rights issue will have their ownership diluted by approximately 33 percent, but are able to financially compensate themselves for this dilution by selling their subscription rights.

The Rights issue is subject to approval by the Extraordinary General Meeting which will be held May 20, 2016, at 09:30 at RunAn, Chalmers Kårhus, Chalmersplatsen 1, Gothenburg. Notice of the Extraordinary General Meeting was published April 20, 2016, and is available on Castellum's website.

RIGHTS ISSUE UNDERWRITERS

Carnegie Investment Bank AB (publ), Handelsbanken Capital Markets, HSBC Bank plc, Skandinaviska Enskilda Banken AB (publ) and Swedbank AB (publ) have, at certain conditions, committed to subscribe for any shares not subscribed or paid for by others in the Rights issue up to a sum equivalent to the maximum size of the Rights issue.

PRELIMINARY TIMETABLE FOR THE RIGHTS ISSUE

The timetable below is preliminary and may come to be altered.

20 May	Extraordinary General Meeting of Castellum
20 May	Last day of trading in the Castellum share with rights to participate in the Rights issue
24 May	Record date for the Rights issue, that is, shareholders who are registered in the share register on this date will receive subscription rights that allow for participation in the Rights issue
25 May	Publication of the prospectus
26 May – 7 June	Trading in subscription rights
26 May – 9 June	Subscription period
14 June	Announcement of the outcome of the Rights issue

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CONDITIONS FOR THE CLOSING OF THE ACQUISITION OF NORRPORTEN

Castellum's completion of the acquisition of Norrporten is subject to two conditions. One condition is customary clearances from the Swedish Competition Authority, which Castellum has applied for and subsequently obtained.

The other condition, which has not yet been fulfilled, is that the Extraordinary General Meeting of Castellum resolves on the Rights issue and to authorize the Board of Directors to resolve on an issue in kind to the Second and Sixth AP funds. An Extraordinary General Meeting will be held on May 20, 2016, to resolve on the abovementioned resolutions.

FINANCIAL AND LEGAL ADVISORS IN RELATION TO THE RIGHTS ISSUE

Carnegie Investment Bank AB (publ), Handelsbanken Capital Markets, HSBC Bank plc, Skandinaviska Enskilda Banken AB (publ), and Swedbank AB (publ) are Joint Global Coordinators and Joint Bookrunners in relation to the Rights issue. Gernandt & Danielsson Advokatbyrå KB is legal advisor to Castellum and Linklaters is legal advisor to Joint Global Coordinators and Joint Bookrunners.

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www.castellum.se

Castellum AB (publ) publishes this information in compliance with the Swedish Securities Market Act and/or the Swedish Act on Trading in Financial Instruments. This information was announced on May 18, 2016, at 8.00 (CET).

Castellum is one of the major listed real estate companies in Sweden. The fair value of the real estate portfolio, prior to the contemplated acquisition of Norrporten, amounts to approx. SEK 45 billion, and comprises premises for office, retail, warehouse and industrial purposes with a total lettable area of approx. 3.6 million sq.m. After the acquisition of Norrporten, Castellum's real estate portfolio will increase by 60 percent to SEK 71 billion, as per pro forma March 31, 2016.

After acquiring Norrporten, Castellum will own and manage properties through one common brand in five geographical regions with strong local presence. The five geographical regions are: West, Öresund, Stockholm, North and Central.

In 2015, Castellum sustainability performance was awarded two top distinctions: the World Green Building Council's award Business Leadership in Sustainability and "Green Star 2015" by GRESB. This means that Castellum is one of the highest ranking companies in the world in the real estate sector.

The Castellum share is listed on Nasdaq Stockholm Large Cap.

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IMPORTANT INFORMATION

This press release does not contain or constitute an invitation or an offer to acquire, sell, subscribe for or otherwise trade in shares, subscription rights or other securities in Castellum. Invitation to the persons concerned to subscribe for shares in Castellum will only be made through the prospectus that Castellum intends to publish at the company's website, following the approval and registration thereof by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*). The prospectus will contain, among other things, risk factors, financial statements as well as information regarding the company's board of directors. This press release has not been approved by any regulatory authority and is not a prospectus and accordingly, investors should not subscribe for or purchase any securities referred to in this press release except on the basis of information provided in the prospectus to be published by Castellum.

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No subscription rights, paid subscribed shares or new shares have been or will be registered under the Securities Act, or with any other securities regulatory authority of any state or other jurisdiction of the United States and no subscription rights, paid subscribed shares or new shares may be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, into or within the United States or on account of such persons other than pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act, and in compliance with any applicable securities laws of any state or jurisdiction of the United States. No public offering of subscription rights, paid subscribed shares or new shares is made in the United States. There is no intention to register any securities referred to herein in the United States or to make a public offering in the United States.

This press release contains forward-looking statements which reflect Castellum's current view on future events and financial and operational development. Words such as "intend", "will", "expect", "anticipate", "may", "plan", "estimate" and other expressions than historical facts which imply indications or predictions of future development or trends, constitute forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as

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they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.

The information, opinions and forward-looking statements concluded in this announcement speak only as of its date and are subject to change without notice.