

KUNGSLEDEN

**Press Release
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Kungsleden: SEK 913 m public property acquisition

Swedish listed property company Kungsleden AB (publ) is acquiring 43 properties from the Municipality of Harnosand in northern Sweden. Kungsleden is acquiring basically all the properties where the Municipality conducts its activities such as retirement homes, pre-schools and schools.

Total floor-space is 154,000 sq.m. and total rental value is SEK 114 m, 80% of which is sourced from the Municipality of Harnosand. The average term of those contracts where the Municipality is signatory is approximately 17 years, and for the portfolio overall, about 14 years.

The acquisition price of the properties is SEK 913 m including transaction costs, implying an acquisition cost of just over SEK 5,900 per sq.m.

The transaction is conditional on the approval of the Municipal council. Kungsleden is scheduled to take possession on 1 December 2007.

“We’re thankful that the Municipality of Harnosand has entrusted us to take on ownership of basically all the properties where it operates,” commented Kungsleden’s Chief Executive Thomas Erséus, “it demonstrates that our public properties initiative in recent years has provided municipalities with an alternative to direct ownership.”

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Detta pressmeddelande finns tillgängligt på svenska på www.kungsleden.se

Kungsleden’s strategy is to ensure sustainable high and stable returns proceeding from its existing holding, and through acquisitions and divestments. As of June 30th, 2007, the property portfolio comprised 606 properties with a book value of SEK 25.4 bn. The holding was located in a total of 128 municipalities, although concentrated on the Swedish provinces of Gotaland and Svealand, and the Oresund region. Kungsleden has been quoted on the OMX Nordic Exchange Stockholm since 1999.