



PRESS RELEASE FROM MANDAMUS FASTIGHETER AB (PUBL)

Solna, 28 March 2003

Today, Mandamus has received the auditors' Audit Report on the 2002 financial year. The Stockholm Stock Exchange admission contract prescribes that a qualified opinion must be made public immediately.

Audit Report

To the Annual General Meeting of Mandamus Fastigheter AB (publ)
Corporate ID No. 556549-6360

We have examined the annual report, consolidated accounts and financial statements, and also the administration by the Board of Directors and Managing Director of Mandamus Fastigheter AB (publ) for the 2002 financial year. It is the Board and Managing Director who bear responsibility for the accounting documents and administration. Our responsibility is to state our opinion of the annual report, consolidated accounts and administration on the basis of our audit.

The audit was carried out in accordance with generally accepted auditing standards in Sweden. Accordingly, we have planned and implemented the audit in such a way as to assure ourselves, to a reasonable degree, that the annual report and consolidated report contain no significant errors. An audit entails examining a selection of the figures for monetary amounts and other information in the accounting documents. An audit also includes reviewing the accounting principles and their application by the Board and Managing Director, and assessing the overall information in the annual report and consolidated accounts. As the basis for our statement on discharge from liability, we have examined essential decisions, measures and circumstances in the Company, in order to be able to assess whether any Board member or the Managing Director is liable to pay compensation to the Company. We have also examined the question of whether any Board member or the Managing Director has otherwise acted in contravention of the Swedish Companies Act, the Annual Accounts Act or the Articles of Association. We consider that our audit provides reasonable grounds for our statements below.

The annual report and consolidated accounts have been drawn up in accordance with the Annual Accounts Act, and thus provide a fair picture of the Company's and Group's profit and position in accordance with generally accepted accounting principles in Sweden.

We recommend that the general meeting of shareholders adopt the profit and loss account and balance sheet for the Parent Company and the Group, and appropriate the profit in the Parent Company in accordance with the proposal in the Directors' Report.

At its meeting on 12 December 2002, the Board resolved to dismiss the Managing Director with effect from 1 January 2003. According to the notice convening this meeting, the matter was not an item on the agenda sent to members. The Board did not implement the evaluation of the Managing Director prescribed in the formal work plan or evaluate the financial implications of the resolution for the company. The resolution was thus adopted without the Board members having satisfactory documentation to settle the matter, and it therefore contravenes

Chapter 8, Section 18, paragraph two of the Swedish Companies Act. Two Board members, Leif Zetterberg and Björn Hall, entered reservations against the resolution with reference to the aforesaid legislative text. The resolution may also have caused the company a loss corresponding, at least, to the additional costs it entailed, which may mean that the Board members who adopted the resolution may be liable to pay compensation. We advise against the general meeting of shareholders discharging Anders Glansk, Sievert Larsson and Hans Selling from liability for the financial year.

We recommend that the general meeting of shareholders discharge the Board members Leif Zetterberg and Björn Hall and the Managing Director from liability for the financial year.

Stockholm, 27 March 2003

Stefan Holmström
Authorised public accountant

Per Gustafsson
Authorised public accountant

Comment from the Chairman of Mandamus, Leif Zetterberg

When the Board majority resolved to dismiss Anders Johansson, Board member Björn Hall and I made it clear that this contravened the rules in force. We detailed this in our joint reservation. The fact that the decision also caused the company to incur additional costs does not improve the matter.

Comment from the Acting Managing Director of Mandamus, Anders Silverbåge

The auditors' criticism is not directed against the company's manner of conducting the business operations or keeping the accounts. Otherwise, I have no reason to comment on the Board's work.

Queries

Please address any queries to Mandamus' Acting Managing Director, Anders Silverbåge, on phone +46-8-566 13000 or e-mail anders.silverbåge@mandamus.se, or the Board Chairman Leif Zetterberg on phone +46-70-588 4184 or e-mail leif.zetterberg@lrf.se.

Mandamus is a property company that seeks to own, develop and manage residential properties with a high yield, mainly in growth areas in Southern and Central Sweden, on a long-term basis. Mandamus owns properties with a book value of around SEK 5,800m, yielding an annual rental income of some SEK 900m.