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Drott sells two residential properties for gain of SEK 27 million

Drott has sold the residential properties Källan 1 and Propellern 10 in Stockholm's Södermalm section for a total of SEK 62 million. The price exceeds the properties' independently appraised values as of December 31, 2002 by 31 percent. The two properties have rentable space totaling 2,803 sq. m. of which 2,436 sq. m. is residential space.

The buyers are tenant-owners' associations. Closings on the sales were scheduled for September 29 and October 1, 2003.

Of the total capital gain of SEK 27 million before tax, SEK 9 million will be reported in the fourth quarter.

Thus far this year, Drott has sold ten properties to tenant-owners' associations for a total of SEK 312 million (25 percent above their December 31, 2002 appraised values).

Drott AB (publ)

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Drott is being divided into two focused, publicly listed companies. Shareholders at the Annual General Meeting in 2004 will vote on the Board of Directors' proposal to distribute **Bostadsaktiebolaget Drott**, a streamlined residential real estate company active in around ten Swedish growth regions. As proposed, today's Drott would at the same time change its name to **Fabege AB**, an active, streamlined commercial real estate company focused on Stockholm..