

Press Release
19 December 2003

Kungsleden to build new retirement home

The Swedish property company Kungsleden AB (publ) is to build a retirement home of approximately 3000m² in collaboration with the Municipality of Halmstad.

The retirement home will be built during 2004/2005 with an estimated completion date in April 2005, after which it will be leased to the Municipality of Halmstad with a 20-year lease. The rent will be based on the adopted construction cost, which is estimated to be approximately SEK 50 million. Return on investment will be in line with that of Kungsleden's other retirement homes.

"The development and construction of a modern retirement home in collaboration with the Municipality of Halmstad will be an exciting project, and represents a further stage in our investment in retirement properties," comments Jens Engwall, Chief Executive of Kungsleden.

For more information, please contact:

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Detta pressmeddelande och kvartalsrapporten finns tillgängliga 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 disposals. Kungsleden's property holding comprises 418 properties with a book value of approximately SEK 10.8 bn. The holding is located in a total of 117 municipalities, although concentrated on the Swedish provinces of Götaland and Svealand. Kungsleden has been quoted on the OM Stockholm Exchange O-list since 14 April 1999