

Press release from Custos' Annual General Meeting on April 15, 1998

Operations during the period January 1 – April 9, 1998

Custos' total return during the period was 25.7 percent for the series A share and 28.0 percent for the series B share. The Findata Yield Index increased with 22.4 percent during the same period. The net asset value of the Custos share amounted to SEK 246 per share as of April 9, 1998 (December 31, 1997: SEK 207), an increase of 18.6 percent. The total net asset value amounted to MSEK 10,614 (8,951). The net asset value as of April 14, 1998 amounted to SEK 250 per share, or a total of MSEK 10,800.

As of April 9, 1998, the discount to net asset value was 14 percent for both the series A and series B shares.

The market value of the stock portfolio as of April 9, 1998 amounted to MSEK 10,686 (9,441). The value of the portfolio, adjusted for net changes, increased by MSEK 1,522 during the time period.

Net sales of stock listed securities amounted to MSEK 277 during the time period.

The adjusted equity ratio amounted to 94 percent (92).

Redemption of shares in AB Custos

In accordance with the resolution on the Extraordinary General Meeting on March 2, 1998, the General Meeting decided to reduce the share capital with MSEK 87.8 to MSEK 992.2. This is achieved through a redemption of 2,648,819 series A shares and 862,113 series B share, for which notice of redemption have been given. The purpose of the reduction of the share capital is repayment to shareholders with payment consisting of 24,576,524 shares in Fastighetsaktiebolaget Hufvudstaden, of which 20,804,846 are series A shares and 3,771,678 are series C shares, with a total book-value of MSEK 491.0. For redemption payment above the reduction amount, unrestricted reserves of MSEK 403.2 shall be used.

Following the completion of the redemption procedure the share capital of AB Custos will amount to MSEK 992.2, consisting of 29,732,893 series A shares and 9,956,199 series B shares, a total of 39,689,092 shares.

The distribution of the redemption payment, in the form of Hufvudstaden shares, will occur in August/September 1998.

Dividend

The General Meeting resolved to distribute a dividend for the financial year 1997 of SEK 7.25 per share and that the record day shall be April 20, 1998. The distribution of the dividend is estimated to occur on April 27, 1998.

Liquidation clause

In accordance with Custos' Articles of Association, the issue of voluntary liquidation was raised. The General Meeting resolved that AB Custos shall not enter into voluntary liquidation.

Board of Directors

Per-Olof Eriksson, Christer Gardell, Leif Gustafsson, Sven Hagströmer, Sten K Johnson, Mats Lederhausen and Mats Qviberg were re-elected as members of the Board of Directors and Björn Savén was elected as a new board member. At the following inaugural board meeting, Sven Hagströmer was re-elected Chairman of the Board of Directors.

Auditor

KPMG Bohlins AB, with Per Bergman as the individual auditor in charge, were re-elected as auditors for the time period until the next Annual General Meeting.

Amendment of the Articles of Association

The General Meeting resolved that notice of General Meetings and other messages to the shareholders in the future no longer have to be made by announcement in the Swedish Official Gazette (Sw. *Post- och Inrikes Tidningar*) but only in a daily newspaper published in Stockholm.

Incentive program for management

Custos' Board of Directors has decided to introduce an incentive program for management tied to the development of the Custos share price. A prerequisite for payment of bonus as part of this program is that the total return on the Custos share exceeds both the return on the Findata Yield Index and Custos' cost of capital. Bonus will be paid, in other words, only if both the yield index and the cost of capital are exceeded.

Financial information

Interim report, parent company (January-June) July 30, 1998

Interim report, Custos Group (January-June) August 21, 1998

Stockholm, April 15, 1998

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