

**Press Release
1 February 2007**

Kungsleden calls off property divestment

Listed Swedish property company Kungsleden AB (publ) has discontinued discussions regarding the divestment of a commercial property holding worth approximately SEK 2 bn, as reported in a press release on 29 November 2006.

The property divestment was called off after the parties' terms for the deal were not satisfied.

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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 30 September 2006, the property portfolio comprised 652 properties with a book value of SEK 24.3 bn. The holding was located in a total of 132 municipalities, although concentrated on the Swedish provinces of Götaland and Svealand, and the Öresund region. Kungsleden has been quoted on the Stockholm Exchange O-list since 14 April 1999.