

PRESS RELEASE 25/2000

Drott acquires properties for SEK 750 M in central Malmö

Drott has acquired Fastighets AB Ragne, a real estate company that owns 26 properties in Malmö. The acquired properties contain 102,000 square meters of rentable floor space, of which residential premises accounts for 64,000 square meters (889 apartments) and commercial premises for 38,000 square meters. A total of 20 of the 26 properties are located in central Malmö/Slottsstaden, all of which, with the exception of three, are freeholds. The occupancy rate based on revenue is 98 percent.

Drott is paying SEK 750 million for the properties – an average of SEK 7,333 per square meter – which corresponds to a yield of 7.0 percent (based on rents for the year). The seller is the Göran Gustafsson Foundation for Natural Science and Medical Research, and the takeover date is December 28, 2000.

Following the acquisition, Drott will own a total of 3,394 apartments in Malmö.

Drott	Commercial		Residential		Total	
	Sq. m.	Rent*	Sq. m.	Rent*	Sq. m.	Rent*
Drott in Malmö as of Sept 30, 2000	186 545	SEK 175 M	184 628	SEK 152 M	371 173	SEK 327 M
Ragne	37 879	SEK 29 M	64 401	SEK 52 M	102 280	SEK 81 M
Total in Malmö	224 424	SEK 204 M	249 029	SEK 204 M	473 453	SEK 408 M

* Annual rental revenues, incl. rents for vacant space

Comment by Drott CEO Mats Mared:

"The acquisition of Ragne is part of Drott's strategy of concentrating its residential portfolio to central locations in Sweden's three largest cities. The gradual change in the profile of the residential portfolio has been implemented through the acquisition of Näckebro, Balder and the HSB properties, and via sales of a number of larger residential holdings in such locations as Borås (Halleberg, 900 apartments), Lidköping (Vagnen, 420 apartments), Malmö (Bellevuegården, 930 apartments) and Gothenburg (Södra and Norra Biskopsgården, 2,100 apartments)."

Acquired properties

Property	Address	Rentable floor space	- of which housing
Asker 1	Kilian Zollsgatan 2 A-D	3 530	3 364
Bara 1	Ö Kristinelundsvägen 10 A-C	2 767	2 241
Bara 6	Ö Kristinelundsvägen 16 A-B	2 126	1 846
Brita 6	Amiralsgatan 11	1 444	1 109
Cedern 17	Disponentgatan 19-23	5 310	5 248
Danzig 22	S Promenaden 3	1 829	1 734
Delfinen 14	V Kanalgratan 5	5 580	3 330
Elefanten 41	Lugna Gatan 38	6 927	6 824
Flygbasen 4	Höjdrodergatan 4	1 618	-
Havsuttern 2	Kapellgatan 4	2 895	2 895
Heimdal 12	Sallerupsvägen 4	2 148	1 784
Hermosdal 2 (leasehold)	Professorsgatan 8 A-B	5 167	5 167
Hövitssmannen 1	Ö Rönneholmsvägen 21	4 895	3 937
Kastanjen 4 (leasehold)	Almbacksgatan 16	1 446	1 446
Katrinetorp 1	Fågelbacksgatan 34 A-C	2 005	1 942
Katrinetorp 2	Beridaregatan 20 A-C	1 928	1 928
Katrinetorp 3	V Rönneholmsvägen 79 A-C	3 102	2 854
Lars 4	Ö Förstadsgatan 20	2 432	1 741
Laxen 23	Brogatan 7	7 448	-
Mjödett 11	Kirsebergs Torg 5	15 964	7 040
Stacken 11 (leasehold)	V Hindbyvägen 3 A-B	5 224	5 191
Sämjan 2	Bokgatan 18	9 507	-
Söderport 7	Gustav Adolfs Torg 43	2 054	556
Vårdkasen 2	Vattenverkssvägen 9	2 346	2 024
Vakteln 17	Linnégatan 34	site	-
Vakteln 19	Linnégatan 34	2 588	200
Total		102 280	64 401

Drott AB (publ)

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*Drott is one of the largest publicly traded real estate companies in Europe.
The Group's business concept is to acquire, develop and manage commercial and residential
properties in growth areas of Sweden.*

As of September 30, 2000 Drott owned 720 properties containing 4.3 million square meters of rentable floor space and representing annual rental revenues of SEK 3.9 billion (incl. rent for vacant space).

Stockholm, Gothenburg and the Öresund region account for approximately 90% of total real estate value.

Drott has slightly more than 400 employees and 47,000 shareholders.