

PRESS RELEASE

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Wihlborgs appeals against tax-assessment judgement

On 14 January 2005 the County Administrative Court in Stockholm County decided to reject Wihlborgs' appeal against a reappraisal decision regarding assessment of income tax for the year 2002. The decision means that the Tax Authority's decision to raise the company's assessment of income by SEK 346 million still applies, which entails a tax cost of SEK 97 million.

The reason for the increase in Wihlborgs' assessed income that has been decided on is that the Tax Authority has deemed that a dividend of SEK 346 million from a subsidiary to Wihlborgs Fastigheter i Stockholm AB is taxable. This is because the Tax Authority has reclassified Wihlborgs Fastigheter i Stockholm AB from a property-management company to a company that trades in properties.

Wihlborgs does not share this assessment, thus Wihlborgs intends to lodge an appeal against the County Administrative Court judgement with the Fiscal Court of Appeal in Stockholm.

In Wihlborgs' opinion the decision will not lead to any payment, thus the Tax Authority's decision is being regarded as a contingent liability for the time being.

(See also previous press release in this regard: 19.12.2003.)

Wihlborgs Fastigheter AB (publ)

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