

NORTH BRIDGE NORDIC PROPERTY AS

STATUS REPORT – 2ND QUARTER 2009

With unaudited interim accounts for the six months ended 30 June 2009

NET ASSET VALUE PER SHARE (NAV) 30.06.2009

Date	30.06.2009	31.12.2008	30.06.2008	31.12.2007	30.06.2007	31.12.2006	01.08.2006
VEK per share (NOK)	1 369	1 344	1 664	1 665	1 556	1 267	1 069
Change in VEK per share since the last period	1,9 %	-19,2 %	0,0 %	7,0 %	22,8 %	18,5 %	n.a.
Change in VEK per share since start-up	28,1 %	25,7 %	55,7 %	55,7 %	45,5 %	18,5 %	n.a.
VEK (NOK mill.)	449	441	546	546	422	279	212
Net equity issued (NOK mill.)	389	389	389	389	301	236	212
Number of shares	327 950	327 950	327 950	327 950	271 448	220 408	198 323

* Net asset value after deduction of management and success fees, based on external valuations.

North Bridge Nordic Property AS ('the Company' or 'NBNP') calculates an NAV of NOK 1,369 per share at mid-2009, an increase of 1.9% in the first half-year. NAV has risen by 28.1% since the Company's start-up in June 2006. The increase in NAV in the first half of 2009 is explained by the following main factors:

- A net increase of NOK 10.1m in property values in which a positive trend above all at Trollåsveien and Klostergata figures strongly, as well as the sale of Sveberg.
- A net increase of NOK 1.6m in working capital.
- A reduction of NOK 8.0m in long-term debt after repayment of a bank loan related to Sveberg.
- A net negative effect of NOK 7.3m due to weaker NOK/SEK exchange rate.

NAV as at 30.06.2009 is computed on the basis of external, independent valuations of the Company's properties of Newsec in Norge and Svefa in Sweden.

NAV is computed by deducting debt from gross property values, based on valuations, and correcting the result for net working capital in the Group, latent tax and market value of financial instruments. Hence NAV reflects the shareholders' ownership of the underlying assets in the Company.

The Company's equity in the consolidated accounts (under the IFRS accounting standard) may diverge from NAV as calculated above due to differing methodology in some areas. In the event of large discrepancies, comments will be given.

MARKET COMMENTARY

SUMMARY

As of mid-September 2009 North Bridge Management sees tentative signs of a positive change of sentiment in Norway's commercial property segment. The all-encompassing uncertainty that has affected the financial markets for some time appears to be receding. New signs in this segment are evidenced by Dagens Næringsliv's (a financial newspaper) report of 10.09.2009 that "bargain sales" were "called off". So far this year Oslo Børs has climbed just over 30%, sparking greater optimism in the commercial property segment as elsewhere.

After a substantial rise in office rental levels (Oslo) in the period 2006 to 2008, statistics from the commercial property analysis firm Eiendomsverdi AS show a levelling off or slight fall in rental levels in the office segment in the first half of 2009. Our focus is on the volume market for office properties in Oslo, disregarding the relatively small submarket in Vika and Aker Brygge where rentals have fallen steeply from a high level. The main outcome of the financial crisis for the office market appears to be longer decision processes, a somewhat wider range of choice for tenants and a slight increase in inducement packages. Thus far the Oslo statistics do not show a broad-based steep fall in office rental levels.

As the graph on the next page shows, five-year contracts signed in the period 2004-2006 will typically offer a rental increase potential upon renewal, rather than the opposite. North Bridge manages a total of about 40 properties in Norway and Sweden, and all in all has experienced a stable situation in the past year, both in terms of rental level and vacancy rate.

Whereas completed properties have shown a more stable trend than many feared a year ago, development projects in need of new, fresh capital have been a problem area.

The best development projects have been realised, in many cases with reduced profit, while many have been shelved until further notice and some have been taken over by the lender. Where the office segment in Norway is concerned, rental levels are still inadequate to justify new construction, except in the case of parts of Oslo. Should growth forecasts for the economy prove correct, a fall in office rental prices is unlikely in the longer term.

Commercial property values are in general rising due to higher rental income or falling yield, and vice versa. In the initial phase of the financial crisis commercial property in general saw a marked fall in value owing to rising yield, whereas in the second half-year yield is clearly stabilising, as reflected in the trend in NBNP's portfolio value in the first half of 2009.

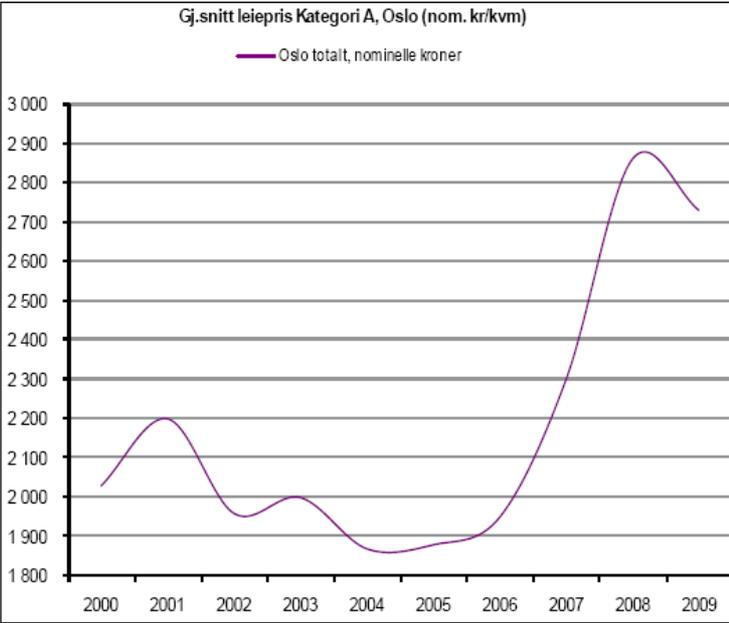
Although both the Norwegian and Swedish economies will grow at a slower rate in the near future, it is important to note positive growth forecasts for the years ahead. Whereas, in the previous quarterly report, we saw a risk of further increases in yield, we now envisage a stable trend bringing potential value increases through a fall in yield.

Actors who have been offered debt finance to purchase commercial property in the past year have in general seen a marked increase in interest margins on account of banks' higher funding costs. Whereas the large Norwegian banks saw a credit spread approaching 2.0% on their funding at the end of 2008 (historically a very high level for three-year money), this spread has now fallen to about 0.75%. If commercial property investors are gradually able to benefit from banks' reduced funding costs, this could trigger a general fall in yield which in isolation will push up commercial property values.

INVESTMENT MARKET

Although, broadly speaking, there is still a large gap between buyers' and sellers' price expectations in the market for commercial property, some transactions have taken place. Prices appear to be just below, or to confirm, the yield level employed by NBNP's valuers. Sellers remain little inclined to sell at today's price level. For their part, buyers are maintaining a wait-and-see attitude, believing they will get more for their money at a later stage. Banks' willingness to lend is still strongly reduced, which in turn affects the actors' ability to implement property transactions.

The cost of loan capital greatly affects commercial property valuation. The short interest rate, measured by three-month NIBOR, dropped sharply (by 2.0 percentage points) in the course of the first half of 2009 while the Norwegian long interest rate, measured by the 10-year swap rate, remains approximately unchanged at 4.63%. The long rate, which in our experience is essential for commercial property valuation, has shown a neutral trend (disregarding the lending margin). While the low short rate is agreeable to borrowers paying floating interest on all or part of a loan, it appears to have little effect on long-term yield.



Kilde: Eiendomsverdi AS

OUTLOOK FOR THE FUTURE

Based on our unchanged outlook from the previous quarter, we believe the commercial property segment now offers exciting investment opportunities to investors with faith in the future of the Norwegian and Swedish economies. Although we see a fairly limited selection of interesting properties at the right price for sale in the market, they do exist. Most lenders probably still have a wait-and-see attitude.

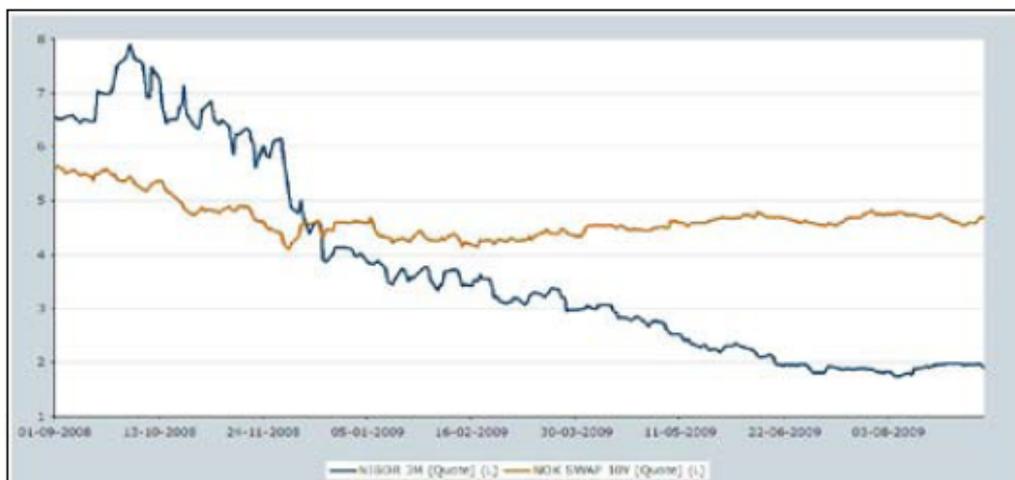
While the possibility of some fall in rental prices in the short term or continued high



The office building at No. 5 Lyckebacken, Lund, where Försäkringskassan is the new tenant.

lending margins cannot be excluded, this must be viewed in light of the longer-term, positive forecasts of economic growth. It is extremely difficult to predict whether this economic cycle has reached the trough, but the property market will gradually stabilise, and we believe that it will pay investors to assume risk over time. More specifically, we believe that reduced lending margins a while from now could trigger falling yields across the board with increased property prices as a consequence.

CAPITAL AND INVESTORS



Kilde: Nordea e-Markets

There have been no changes in paid-up equity in the Company in 2009. The Group currently hedges 59% of the loan portfolio by means of interest rate swaps worth NOK 256m with an average residual maturity of 4.0 years. The size of the Company's loan portfolio is somewhat reduced in terms of Norwegian kroner due to contractual instalment payments, sale of the Sveberg project and a weaker Swedish currency compared with end-2008.

As of mid-2009 the market value of the interest rate swaps was NOK -11.6m, a decline of about NOK 0.7m compared with end-2008. The fall in long rates has had little effect on NAV compared with the effect seen in the fourth quarter of 2008.

Loans totalling NOK 66m fall due in the next two years. Loans at W&N in Västra Hamnen (Aktern 3) with a nominal value of SEK 28.0m fall due on 30.09.2009, while the loan of NOK 43m at Sandnes Sentrumsutvikling falls due on 30.06.2010. The loan of NOK 14.7m on the Sveberg Project is out of the balance sheet as of 30.06.2009. There have been no changes in paid-in equity in the Company in 2009. At the half-year mark the Company had 51 shareholders.

The table to the right shows an overview of the Company's loan portfolio and interest rate hedges.

Summary of loans, rate swaps and caps		
Loans	MNOK	437
Weighted duration	years	10,6
Loans expiring within 2 years	%	15 %
of which NOK	%	54 %
of which SEK	%	46 %
Rate swaps		
Amount	MNOK	256
Average duration	years	4,0
Part of loans secured	%	59 %
of which NOK	%	67 %
Average fixed rate NOK ex. margi	%	4,8 %
Average fixed rate SEK ex. margii	%	4,1 %
Interest cap		
Strike	MSEK	60
Duration	%	5,5 %
	years	3,2

PROPERTY PORTFOLIO

Sverige

Mejselgatan (100%)

Building permission has been granted to extend the current building by 250 m2 for office purposes, bringing the total area to 3,880 m2. Negotiations are under way with the tenant on the rental terms and conditions for the extension. The property is fully let on a long-term contract.

Nos. 3 and 5 Lyckebacken, Lund (100%)

January 2009 saw the start of a total refurbishment of around 2,600 m2 of office premises for Försäkringskassan (Sweden's Social Insurance Agency) at No. 5 Lyckebacken. The work is proceeding to plan and in line with budget. The tenant is pleased both with the premises and the progress of the project. This fairly extensive

refurbishment, with a cost ceiling of about NOK 24 million, will enhance the overall impression of Lyckebacken since the driveway frontage to the property has been renovated.

The second largest tenant, ÅR Carton, has signed a contract for a further 2,240 m² of office premises/warehousing.

A decision has been made to start the two large research centres ESS and MAX IV in Lund. Construction of MAX IV is scheduled to start in summer 2010. Construction of ESS is scheduled to start in two to three years' time. The two projects involve investments of about SEK 16bn. Max Lab IV is an electron accelerator that produces synchronous light. ESS – European Spallation Source – features a proton accelerator that produces neutrons which can be used to study the structure of materials. Both facilities can be simply described as super microscopes for atomic structure studies, and there is an industrial rationale behind the proximity of their locations. The distance to Lyckebacken is about 9 km.

Work is afoot to relaunch Lyckebacken as Lund Business Park, with its own homepage and logo. We believe the time is right for the launch of a business park, given the international interest that Lund will now attract as a result of the decisions to locate ESS and MAX IV in the city.

W&N in Västra Hamnen (100% as of 21.04.2009)

Finding a partner for the project in its present form poses a challenge. Current financing initially ran to 30.06.2009, but has been extended by three months to 30.09.2009. An active effort is being made to refinance the property, and to arrive at a solution with an industrial partner.

Norge

Innherredsveien (100%)

The property has developed well thus far in terms of upgrading and letting of vacant premises. The building now has a vacancy rate of about 1%, and there is no change in the tenant pool compared with the first quarter. We are working on a long-term strategy for letting NTNU's (Norwegian University of Science and Technology) premises of about 7,000 m². The lease agreement with NTNU expires in September 2012. The long-term plan also includes bringing public-facing businesses into the ground floor to achieve a more vibrant frontage onto a street subject to environmental traffic restrictions.

Trollåsveien (100 %)

Areva T&D has signed a lease for 875 m² of office space and 202 m² of warehousing, along with 25 parking slots. The contract runs for five years and is extendable. This tenancy generates an annual income of just over NOK 1m, contributing to a positive trend in the value of the property.

As regards remaining vacant floorage, the ambition is to establish further new contracts in the course of the autumn. A number of steps have been taken to improve security, including the installation of an entry system to the parking structure requiring tenants to use an entry card, and several surveillance cameras. Further, an agreement has been signed with Europark for improved administration of the parking situation. These measures will be initiated in the course of the third quarter.



Skisse av Ole Bullsgate-prosjektet i Sandnes.

Sketch of the Ole Bullsgate Project in Sandnes

Klostergata (70.98%)

All permits related to the construction project are in place, and construction started on 01.07.2009. The first stage of the work consisted of demolishing the existing building stock, and clearing limited quantities of contaminated materials. The construction project is closely monitored to ensure compliance with the cost budget and time-frame.

Ole Bullsgate (100%)

A systematic and targeted effort is being made with a view to attracting tenants to a new building. A prospectus and an animation video are being prepared and will be ready for presentation to potential tenants in mid-September. A thorough job has been done to identify potential tenants and project presentation will take place very shortly. Concurrently work is under way on a framework application based on the guides set out in the approved zoning plan.



The reception at Försäkringskassan, No. 5 Lyckebacken, Lund.



Mejselgatan, Vellinge municipality.

Sollihøgda (100 %)

A renegotiated and extended options contract has been signed for a site area of 180,000 m² to supplement a 320,000 m² site purchased in 2006. Bærum municipality has granted a permit to add buildable fill to the site to improve sunlight conditions and prepare for construction. This work is overseen by Feiring bruk who will quality assure the fill that is supplied.

Sveberg (80%) – Sold on 15.07.2009

Sveberg Holding AS sold 100% of the shares in Sveberg Utviklingsselskap AS to Wahl Eiendom AS on 15.07.2009 with accounting effect in June 2009. Following the sale, Sveberg Utviklingsselskap AS' creditors including the bank have received full settlement in accordance with agreements made. The sale means that NBNP recoups about half of the invested amount of NOK 14.8m. The investment was written down to NOK 0 in both the consolidated accounts and in NAV calculations as at 31.12.2008, and the sale impacts positively on NAV as of 30.06.2009.



Sketch of the Klostergata Project in Trondheim.

ACCOUNTS FIRST-HALF 2009

Unaudited first-half accounts as of 30.6.2009 are enclosed for the NBNP Group, prepared under the simplified IFRS standard. Figures for the first half of 2008 and figures from the financial statements for 2008 are shown for comparison. Notes have not been prepared.

Total income for the first half of 2009 came to NOK 34.7m compared with NOK 55.1m in the same period of 2008. When corrected for a lump-sum compensation of NOK 21.5m from a tenant at Lyckebacken in Lund, operating income in the first half of 2008 totalled NOK 33.6m.

The Group's total operating expenses in the first half of 2009 amounted to NOK 22.5m compared with NOK 33.8m in the same period last year. The figure includes current operating expenses at all investment properties and fees to the Manager.

Operating profit before changes in investment property values totalled NOK 12.3m for the first half of 2009 compared with NOK 21.2m in the same period last year; see however the above comment on the lump-sum compensation.

The Group's investment properties showed a net value increase of NOK 5.2m in the first half of 2009 compared with a value decline of NOK 20.0m in the first half of 2008.

A decline in market interest rates denominated in NOK brought a negative trend in the market value of the company's financial instruments. This produced a profit effect of NOK 0.7m in the first half of 2009.

Other financial income of NOK 6.0m refers to an estimated accounting gain on the sale of Sveberg. The Group's pre-tax profit in the first half of 2009 amounted to NOK 14.4m compared with NOK 3.2m in the same period of 2008.

The Group's total assets at the end of the second quarter of 2009 came to NOK 944.2m compared with NOK 1,052.9m for the first half of 2008. Of this, investment properties account for NOK 825.7m compared with NOK 872.8m as of mid-2008. The decline is primarily due to a decline in property values. As of mid-2009 the company held liquidity (cash and other placements) totalling NOK 85.4m compared with NOK 116.6m as at mid-2008.

The Group's long-term interest-bearing nominal debt of NOK 429.4m as of mid-2009 compared with NOK 461.1m one year previously. The Group's equity capital as of mid-2009 amounted to NOK 447.0m compared with NOK 537.9m as at mid-2008, equivalent to an equity ratio of 47.3% and 51.1% respectively.

North Bridge Nordic Property group - Income statement

Income statement

Figures in TNOK

	1.Jan - 30 Jun 2009	1.Jan - 30 Jun 2008	2008
Operating income and operating costs			
Rental income	34 316	54 969	89 232
Other operating income	410	88	776
Total operating income	34 726	55 057	90 009
Operating costs			
Other operating costs	21 962	33 841	60 490
Depreciation	499	0	997
Impairment	0	0	14 200
Total operating costs	22 460	33 841	75 687
Operating profit before value changes	12 266	21 216	14 322
Value changes in investment properties	5 236	-20 035	-92 975
Operating profit	17 502	1 181	-78 653
Financial income and costs			
Other financial income	3 084	6 261	13 720
Other financial costs	22 288	10 604	51 432
Net financial items	-19 204	-4 343	-37 712
Profit before tax	-1 702	-3 162	-116 365
Tax	0	5 095	-61
Net profit for the year	-1 702	-8 257	-116 304
Profit for the year, majority share	-6 955	-5 270	-121 557
Profit for the year, minority share	5 253	-2 987	5 253

North Bridge Nordic Property group - Balance sheet

Balance sheet

Figures in TNOK

	30.06.2009	30.06.2008	31.12.2008
Assets			
Intangible assets			
Options	0	3 119	3 119
Total intangible assets	0	3 119	3 119
Tangible assets			
Investment properties	825 734	872 773	808 766
Sites, buildings and fixed property	0	24 562	15 200
Fixtures, fittings and equipment	4 043	0	4 377
Total tangible assets	829 777	897 335	828 343
Financial assets			
Long-term receivables	1 137	262	943
Other financial assets	8 000	11 115	0
Total financial assets	9 137	11 377	943
Total fixed assets	838 914	911 831	832 405
Current assets			
Receivables			
Accounts receivable	10 568	4 523	5 213
Other receivables	9 298	19 976	3 470
Total receivables	19 866	24 499	8 683
Bank deposits and cash	85 397	116 582	110 592
Total current assets	105 263	141 081	119 276
Total assets	944 176	1 052 911	951 681

North Bridge Nordic Property group - Balance sheet

Balance sheet

<i>Figures in TNOK</i>	30.06.2009	30.06.2008	31.12.2008
Equity			
Paid in equity			
Share capital	163 975	163 975	163 975
Share premium reserve	30 029	30 032	30 029
Other paid in equity	196 770	196 770	196 770
Total paid in equity	390 774	390 777	390 774
Retained equity			
Other equity	50 889	143 261	43 895
Minority interests	5 322	3 883	5 322
Total retained equity	56 211	147 144	49 217
Total equity	446 985	537 920	439 991
Liabilities			
Deferred tax liability	16 923	28 940	17 050
Long-term liabilities			
Liability to credit institutions	407 881	437 361	445 643
Other long-term liabilities	17 022	23 709	16 431
Total long-term liabilities	424 903	461 070	462 074
Short-term liabilities			
Liability to credit institutions	7 286	1 140	46
Accounts payable	20 428	18 967	15 482
Tax payable	3 086	0	38
Unpaid public taxes	-1 276	-1 776	4 618
Other short-term liabilities	25 841	6 650	12 381
Total short-term liabilities	55 365	24 981	32 566
Total liabilities	497 191	514 991	511 690
Total liabilities and equity	944 176	1 052 911	951 681

CORPORATE INFORMATION

In addition to quarterly status reports that are sent to all shareholders with a VPS-registered address, significant corporate news is posted on the internet. Since the company is OTC-quoted, such news is first published at www.nfmf.no, thereafter at www.northbridge.no.

An ordinary general meeting was held on 10.06.2009 at which the Directors's report and the financial statements for 2008 were duly adopted. Further, the Directors were given a time-limited authorisation to repurchase treasury shares on specific terms and conditions, in accordance with the proposal set out in the notice of the meeting.

Oslo, 24 September 2009

Sincerely yours
North Bridge Nordic Property AS/
North Bridge Management AS

(Sign.)
Eivind Devold
CEO