

NORTH BRIDGE NORDIC PROPERTY AS

STATUS REPORT FOR THIRD QUARTER 2008

SUMMARY

A volatile interest market, banks in crisis and a stock market with a ten year set back indicates clearly that we have a financial crisis also in Norway. The problems have escalated more than expected and has urged governments in the western countries to act promptly and coordinated with the clear aim to reduce the effect of the crises. The situation has so far only to a limited extent influenced on the employment and the rental market for commercial properties, but this can change if the crises continues

With a fairly low loan to equity ratio of about 50 % and a comfortable cash position, the North Bridge Nordic Property Group has a good basis for withstanding the economic downswing. We believe that long term investors will get a reward for being exposed over time

VALUE ADJUSTED EQUITY

The value adjusted equity of North bridge Nordic Property AS (NBNP/the Company) is calculated on a half year basis, latest at 30.06.2008 and next at 31.12.2008.

Date	30.06.2008	31.12.2007	30.06.2007	31.12.2006	01.08.2006
VEK per share (NOK)	1 664	1 665	1 556	1 267	1 069
Change in VEK per share since the last period	0.0 %	7.0 %	22.8 %	18.5 %	n.a.
Change in VEK per share since start-up	55.7 %	55.7 %	45.5 %	18.5 %	n.a.
VEK (NOK mill.)	546	546	422	279	212
Net equity issued (NOK mill.)	389	389	301	236	212
Number of shares	327 950	327 950	271 448	220 408	198 323

MARKET COMMENTS

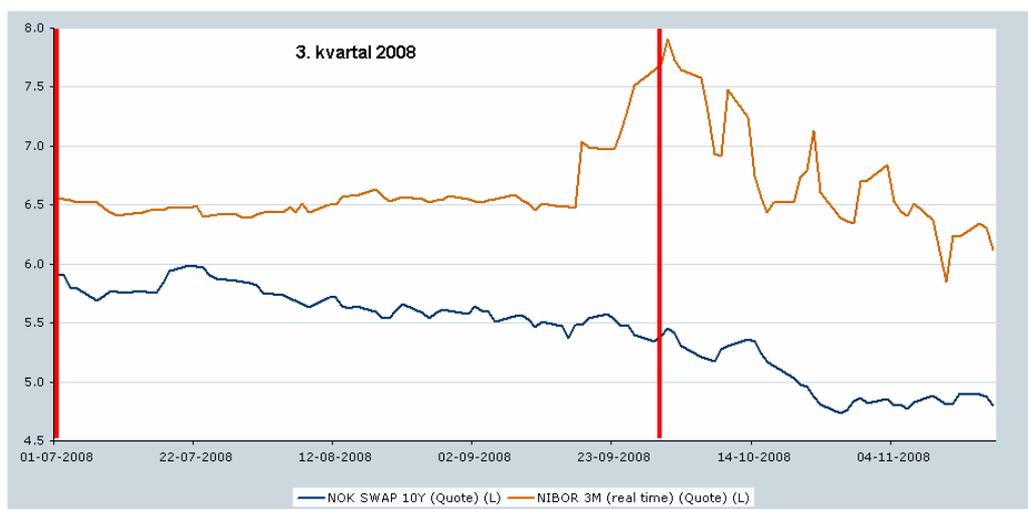
The current financial turmoil led to a distinct increase in short term interest through the third quarter, with a top for the 3 month NIBOR on October the 1st at 7.91 %. The increase is a result of lack of confidence in the interbank market, which has dried out. The level of the 3 month NIBOR has declined, as a result of governmental support plans and reduction in the key policy rate levels, in the 4th Quarter with a level of approx. 6.0 % per November 20th

Long term Norwegian interest rates expressed through the 10 years swap rate declined with about 0.60 % in the 3rd Quarter, and was at 5.50 % at October the 1st. The decline has continued through the 4th Quarter and 10 years swap rate is per November 20th at a rate of 4.70 %, a decline of 1.20 % since 30.6.2008.

As a consequence of the banks increased funding cost, the margin on new loans has increased considerably and in many cases doubled from the levels experienced one year ago. To the extent possible within the loan agreements, the banks seek to increase their margins on existing loans. In average NBNP has so far experienced a moderate increase in margins on bank loans.

As a consequence of the increased margins many borrowers has not yet experienced lower loan costs despite the declining interests. As long as the declined interests are not leveled by increased margins, a drop in the yield is expected and will contribute to the value of properties.

We experience that providers of long term finance is limiting their activity. There is a total lack of funding and even very attractive projects will be rejected. This also influences the activity in the market for sale of properties, and results in an increased yield.



CAPITAL AND INVESTORS

The company has not raised new capital during the last Quarter and there are no important changes in the owner structure. The group has a cash reserve of NOK 121 million per September 30th 2008. With a more demanding and unpredictable finance market we show in the table below key figures for the company's loan portfolio and the related interest swap agreements.

Summary of loans, swaps and caps		
Loan portfolio		
Loans	MNOK	459
Weighted duration	years	10.6
Loans expiring within 2 years	%	23
Swaps		
Amount	MNOK	258
Average duration	years	4.6
Part of loans secured	%	56 %
of which NOK	%	67 %
of which SEK	%	33 %
Average fixed rate NOK ex. margin	%	4.82 %
Average fixed rate SEK ex. margin	%	4.08 %
Interest Cap		
Part of loans secured	%	11 %
Strike	%	5.5 %
Duration	date	02.12.2012
Total part of loans secured		67 %

The value adjusted equity of the NBNP Group as per June 30th 2008 totaled to NOK 546 million, and further approximately 50 % equity and cash in bank of NOK 130 million, corresponding to 13 % of the total balance.

PROPERTY PORTFOLIO

Two development projects temporarily halted

NBNP owns 66.67 % of the company Sveberg Holding AS (SH), which, through the wholly-owned subsidiary Sveberg Utviklingsselskap AS, owns 100 % of a site located along the E6 motorway in Malvik municipality in Sør-Trøndelag. The site is fully regulated and is planned to be a shopping centre around 15,000 m² in size.

As a result of the recent extraordinary events in the financial markets, all creditors have conditionally accepted a proposal to temporarily defer payments for up to four weeks, until total financing of the project has been fully clarified. We are further seeking a 12 months deferral of the project. This period will be dedicated to establishing a long term financing and closing of further lease agreements.

NBNP has contributed a total of NOK 14.3 million for 66.67 % of the shares in SH. NBNP's shares in SH were valued at NOK 16.7 million, which represents 3.1% of value-adjusted equity (VEK) in NBNP, as of the latest evaluation on 30 June, 2008.

NBNP also owns 50 % of the shares in W&N i Västra Hamnen AB (WN), which owns a 2,770 m² site right next to Turning Torso in Malmö. Its location is considered very attractive for development for both residential and commercial purposes. Co-owner (50 %) and project developer Wikeborg & Sander Arkitektur och Fastighetsutveckling AB has declared for bankruptcy. The project is in an earlier planning phase with accumulated planning costs of around SEK 2 million. The consequence of this for NBNP, combined with the current financial turmoil, could be that development of the site is put on hold until further notice. In the event of a possible different future use for the site is found, accumulated planning costs may to a large degree be written off. For the time being, the site will be used as a car park, providing annual income of around SEK 600,000.

NBNP has contributed SEK 2 million in total for 50 % of the shares in WN and NBNP has also loaned SEK 6 million to the company. One possible outcome of this situation is that NBNP becomes the 100 % owner of the WN.

Other properties

Innherredsveien, Trondheim (100 %); Approximately 1,100 m² of the 1,900 m² reported vacant at the end of 2nd Quarter is now let on fair, market terms. The vacancy is following this reduced to 5 % and we are actively seeking tenants for the remaining areas.

Trollåsveien, Oppegård (100 %); We have entered into new rental agreements covering 250 m² and net vacancy following this is 1,806 m² (17 %).

Klostergata, Trondheim (67 %); Klostergata Holding AS entered early in 2008 into a 15 year rental agreement with Rusbehandling Midt-Norge HF i Trondheim. The agreement relates to the rental of premises in a planned new building of around 6,500 m² in Klostergata 46-48/Schwachs gt. 3, where the new 'Trondheim clinic' will be located. In addition, the intention is to rent out the remainder of the planned new building to a grocery chain, or alternatively to Rusbehandling Midt-Norge HF.

Application for planning permission was submitted Trondheim municipality early in September, 2008 and the building permission is expected to be granted before year end. The turn key contract is put onto tender, with tendering date at the end of November. As a consequence of the decline in the building market we expect a keen interest and attractive offers from contractors.

With building expected to start during the first half of 2009 and a construction time of around 16 months, it is expected to be completed during the second half of 2010.

Ole Bulls gate, Sandnes (100 %); The regulation plan for the area passed in September 2008 and will be presented for a second round in January 2009. We are actively working on the lay out and acquisition of tenants. When passing the regulation plan in January, and having obtained a satisfactory occupancy rate, an application for building will be submitted.

Lyckebacken 3 and 5, Lund (100 %); The extensive renovation of the new office space for Försäkringskassan is fully planned and the tender opening process has started. The project runs according to plan with the construction work starting at January 20th and the tenant moving in on May 1st.

A considerable part of the funds received as compensation for the released space (covered in the Q 2 report) has been allocated to upgrading and tailoring of areas for new tenants. In addition we have also carried out outstanding maintenance.

There is a specific interest in building further premises at Lyckebacken and we currently study if this can be realized to the benefit of both owners and tenants.

COMPANY INFORMATION

In addition to the quarterly status reports mailed to all shareholders at the address registered in the VPS-register, we also present important company news via internet. Being noted on the OTC list, we first publish news on www.nfmf.no and then on www.northbridge.no

Kind regards
North Bridge Nordic Property AS/
North Bridge Management AS

(Sign.)
Eivind Devold
CEO
Oslo, November 20th 2008