

## STATUS REPORT 1ST QUARTER 2010

### NORTH BRIDGE NORDIC PROPERTY AS

#### FINAL NET ASSET VALUE AS OF 31.12.2009

Final net asset value (NAV) of North Bridge Nordic Property AS as of 31.12.2009 is calculated at NOK 1,465 per share, marginally lower than the preliminary figure of NOK 1,466 communicated in the Q4 2009 report. This is an increase of 7.0% in the second half of 2009. NAV per share is thus 37.0% higher than at the company's start-up in 2006. The next calculation date for NAV per share will be 30 June 2010.

#### PROPERTY UPDATE

The situation for the Company's cash flow properties has shown virtually no change in the first quarter of 2010, with only minor contract expirations or signings. The Manager also sees no major changes in the level of market rentals since 31.12.2009. Ongoing construction processes at Klostergata (Trondheim) and Lyckebacken (Lund) are proceeding as planned in terms of progress made and are in line with cost budget.

The extent to which the valuer opts to reduce the yield level somewhat as a result of a fall of around 0.60-0.80 percentage points in long Norwegian and Swedish rates in the first half-year is expected to be decisive for the Company's property values as of 30 June 2010.



*Klostergata 46-48, Trondheim*



#### Lund Business Park (100%)



Nos. 3 and 5 Lyckebacken have now changed name to Lund Business Park. The official opening was undertaken by the Mayor of Lund on 6 May 2010. Further information is available at [www.lundbusinesspark.se](http://www.lundbusinesspark.se). The property has traditionally been viewed as an industrial area, and the 'branding' of Lund Business Park aims to emphasise the area's attractiveness to a considerably broader range of tenants.

In a bid to increase the occupancy rate, existing tenants are encouraged to expand into vacant space, and rental periods are being extended to provide better long-term predictability.

A&R Carton has signed a new rental contract for 5,000 square metres and now rents just over 20,000 square metres compared with around 13,000 when we took over the property. In addition, Flextrus,

the largest tenant with almost 25,000 square metres, has extended its contract by 6 years from 31.12.2013 to 31.12.2019. Further, at the start of the year Gate Gourmet extended its lease on 6,350 square metres of space from 31.12.2010 to 31.12.2013. The property now has a vacancy rate below 5 per cent.

#### **W&N i Västra Hamnen (100%)**

For a while now an industrial actor has been sought as a local partner and investor for further development of this attractively located property in Västra Hamnen in Malmø. Several well-reputed market participants with activities in Malmø have submitted bids in an initial bidding round, and detailed negotiations on a joint development have started with some of these stakeholders. Apartment prices in downtown Malmø have continued on a positive trend since the start of the year.

#### **OUTLOOK AHEAD**

While noting renewed financial unrest across the globe and wide fluctuations in world stock markets, we opt, as a long-term property investor, to highlight the fact that the world's largest economic regions are by and large in recovery mode. Positive GDP growth is widely reported, and this also applies to Norway and Sweden where the Company's properties are located. A feature of this phase of the cycle is that financial markets react with disappointment if the positive development is weaker than expected since this does not always appear logical to most people.

The share market is not highly priced based on a historical price-book comparison, and government finances and the economy are in a miserable state in some countries. However, our focus is on the fact that most countries are not in trouble and that businesses are on a sound profit trend. Credit spreads in general have increased somewhat, but do not suggest any collapse, and are nowhere near the levels seen during the financial crisis.

The Manager is of the view that the overall market conditions do not stand in the way of a positive trend in the period ahead, although a strong tail wind cannot be expected right away. At the property level the range of positive outcomes possible is wider than in a long time, and continuous attention is given to value-creating initiatives. This is based on the underlying expectation that the world will steer clear of a new financial crisis.

#### **CORPORATE INFORMATION**

A summary of the annual report for 2009 will soon be published at [www.northbridge.no](http://www.northbridge.no).

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

(Sign.)  
Eivind Devold  
CEO  
Oslo, 8 June 2010