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NCC Property Development leased out 17,000 square meters in April

NCC Property Development concluded leasing contracts comprising approximately 20,000 square meters of floor space during April. Although sales of housing recovered somewhat during April, residential markets are expected to be weaker in 2008 in relation to 2007. These will be items of the items addressed at NCC's Capital Markets Day on Tuesday.

April was an active month in the leasing market, during which NCC Property Development leased out a total of approximately 17,000 square meters of floor space, of which office space accounted for 15,000 square meters and retail space for about 2,000 square meters. The leases signed will have some impact on NCC's earnings during the second quarter.

NCC's Capital Markets Day on Tuesday will be focusing on the NCC Property Development business area, which develops commercial property projects in selected growth markets in the Nordic region and Baltic countries. NCC Property Development has 36 ongoing projects, at a combined investment value for NCC of some SEK 7 billion.

"We foresee a favorable and strong leasing market in 2008, but also a slackening during the latter part of the year. The property market has been affected by the prevailing financial turmoil, particularly from a financing perspective. Today, risk is priced differently into a property, which entails that a higher yield is required for inferior properties in inferior locations. Demand for flexible new properties in prime locations remains strong," says Peter Wågström, President of NCC Property Development.

NCC's President and Chief Executive Officer, Olle Ehrlén, repeated the market outlook that was published in the most recent quarterly report released on April 28, namely of continued growth in the Nordic region but weakened housing markets.

"During April, housing sales recovered slightly compared with the downturn we noted in the first quarter. In April, we sold more housing units in Sweden compared with a year earlier and sales in Finland were at a favorable level. On the other hand, April was another weak month for Denmark, the Baltic countries and Norway. In total, we expect 2008 to be a weaker year than 2007 in terms of sales of housing units," says Olle Ehrlén.

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All of NCC's press releases are available on www.ncc.se

NCC is one of the leading construction and property development companies in the Nordic region. NCC had in 2007 sales of fully SEK 58 billion, with 21,000

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