

EGM in Hansa Property Group ASA – Two new equity issues to be completed

On 30 May 2008 an Extraordinary General Meeting in Hansa Property Group ASA (“Hansa”) resolved to execute two new equity issues;

- A Directed Issue of NOK 176.6 mill (3,923,889 shares) directed towards Selvaag Prosjektutvikling AS as part of settlement for the Selvaag transaction (See more details below). The issue price will be NOK 45 per share.
- A Rights Issue of NOK 255 mill. (from 9,256,000 to 9,704,000 shares) directed towards existing shareholders (in case of the issue not being fully subscribed there will be possible for external investors to subscribe.) The issue price will be NOK 25 per share. The Rights Issue is fully guaranteed by a guarantee consortium. The subscription period runs from 2 June to 13 June 2008.

Both transactions are conditional on completion of the Selvaag transaction. Proceeds from the equity issues will cover settlement and owner costs in connection with the Selvaag transaction and increase Hansa’s working capital as the listing on Oslo Stock Exchange has been postponed.

About the Selvaag transaction: Hansa is about to finalize an agreement with Selvaag Gruppen to acquire a majority stake (70%) in a large property development portfolio (“Selvaag transaction”): In short the transaction contains 6 exiting development projects in the greater Oslo area (~ 132,000 sqm) at an acquisition price of approx. NOKm 1,009 (To be owned; 70% by Hansa and 30% by Selvaag). There are still ongoing discussions with different banks regarding the debt financing side of the transaction.