

TK Development increases its ownership interest in Central European activities

Summary:

- *TK Development exercised today an option to buy half the stake in Euro Mall Holding A/S held by the Investment Fund for Central and Eastern Europe. Accordingly, TK Development's interest in the Central European activities now amounts to 90 %.*
- *The price for the shares amounts to about DKK 71 million.*
- *The exercise of the purchase option should be viewed as a consequence of the Group's continued positive perspective on the market potential, coupled with a promising array of projects in the pipeline – all in all expected to contribute to favourable earnings for the next few years.*
- *The Group's profit forecast for the 2007/08 financial year remains unchanged.*

Since 2004, TK Development's activities in Central Europe (Poland, the Czech Republic and Slovakia) have been carried out via the Euro Mall Holding Group, with TK Development holding an 80 % interest and the Investment Fund for Central and Eastern Europe holding the remaining 20 %. Since that time, any sale in the period from 2007 to 2009 by the Investment Fund for Central and Eastern Europe's of its shares in Euro Mall Holding, and TK Development's right to purchase them, have been governed by the shareholding agreement concluded between the parties.

Today, TK Development exercised an option to buy half the stake in Euro Mall Holding A/S held by the Investment Fund for Central and Eastern Europe. Accordingly, TK Development now owns 90 % of the Central European activities. The price for the shares amounts to about DKK 71 million.

The Group could have postponed the exercise of its purchase option, but chose to do so at this stage in light of the sustained positive perspective taken on the market potential coupled with the promising pipeline of projects that are expected to contribute to favourable earnings over the next few years. TK Development expects to acquire the balance of the shares of Euro Mall Holding A/S by mid-2009.

A profit of at least DKK 240 million after tax and minority interests is still anticipated for the 2007/08 financial year.

For further information, please contact Frede Clausen, President and CEO, who can be reached at tel. +45 8896 1010.