

AB | SAGAX

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INTERIM REPORT JANUARY-JUNE 2020

FIRST SIX MONTHS OF 2020

- Rental revenue increased 12% to SEK 1,417 M (SEK 1,261 M in the year-earlier period).
- Profit from property management increased 23% to SEK 1,177 M (960).
- Profit from property management per Class A and B share after dilution rose 23% to SEK 3.26 (2.64).
- Revaluation of properties impacted profit by a total of SEK 283 M (633), of which joint ventures accounted for SEK 245 M (174).
- Revaluation of financial instruments impacted profit by a total of SEK –45 M (443), of which joint ventures accounted for SEK –30 M (–37).
- Profit after tax for the period was SEK 1,110 M (1,771).
- Cash flow from operating activities before changes in working capital rose 35% to SEK 1,296 M (957), corresponding to SEK 3.63 (2.63) per Class A and B share after dilution.
- Net investments amounted to SEK 3,523 M (561), of which property acquisitions accounted for SEK 3,218 M (948).

SECOND QUARTER OF 2020

- Rental revenue increased 12% to SEK 715 M (639 for the year-earlier period).
- Profit from property management increased 23% to SEK 612 M (496).
- Profit from property management per Class A and B share after dilution rose 24% to SEK 1.68 (1.36).
- Revaluation of properties impacted profit by a total of SEK –214 M (501), of which joint ventures accounted for SEK 27 M (126).
- Revaluation of financial instruments impacted profit by a total of SEK 83 M (66), of which joint ventures accounted for SEK –15 M (–20).
- Profit after tax for the period amounted to SEK 361 M (917).
- Cash flow from operating activities before changes in working capital rose 38% to SEK 880 M (635), corresponding to SEK 2.52 (1.80) per Class A and B share after dilution.
- Net investments amounted to SEK 293 M, of which property acquisitions accounted for SEK 111 M (269).

ADJUSTED FORECAST FOR 2020

As a result of the COVID-19 pandemic, macroeconomic conditions in the company's markets have deteriorated and uncertainty has increased. Despite the fact that the impact of the pandemic on the company has been limited to date, Sagax's forecast for profit from property management is associated with greater uncertainty than under normal market conditions.

Profit from property management for 2020, meaning profit before revaluations and tax, based on the current property portfolio, announced acquisitions and divestments and current exchange rates, is expected to amount to SEK 2,300 M. The previously submitted forecast was for profit of SEK 2,250-2,300 M and was presented when the January-March 2020 interim report was published.

For further information, please contact CEO David Mindus, tel +46 8 - 545 83 540.

About Sagax

AB Sagax is a property company whose business concept is to invest in commercial properties, primarily in the warehouse and light industry segment. Sagax's property holdings at 30 June 2020 amounted to 3 321 000 square

metres, distributed between 657 properties. AB Sagax (publ) is listed on Nasdaq Stockholm, Large Cap. More information is available at www.sagax.se.

This constitutes information that AB Sagax (publ) is legally obligated to publish under the EU's Market Abuse Regulation and the Swedish Securities Market Act. The information was released for publication, through the agency of the contact person above, on 13 July 2020 at 6:45 p.m. CEST.

Every care has been taken in the translation of this press release. In the event of discrepancies, however, the Swedish original will supersede the English translation.