AB | SAGAX

PRESS RELEASE no. 5, 2020

Stockholm, 7 February 2020

YEAR-END REPORT 2019

2019 FISCAL YEAR

- Rental revenue increased 15% to SEK 2,581 M (SEK 2,247 M for the preceding year).
- Profit from property management increased 25% to SEK 2,001 M (1,603).
- Profit from property management per Class A and B share after dilution rose 28% to SEK 5.51 (4.31).
- In total, property revaluation affected profit by SEK 1,956 M (1,878).
- Revaluation of financial instruments impacted profit by a total of SEK 884 M (289).
- Profit after tax for the year was SEK 4,111 M (3,166).
- Cash flow from operating activities before changes in working capital rose 20% to SEK 1,795 M (1,490), corresponding to SEK 4.86 (3.95) per Class A and B share after dilution.
- Net investments amounted to SEK 2,090 M (3,437), of which property acquisitions accounted for SEK 2,836 M (3,026).
- The Board of Directors proposes that the ordinary dividend per Class A and B share be raised to SEK 1.30 (1.00). The Board also proposes a dividend of SEK 2.00 per Class D and preference share through a quarterly payment of SEK 0.50. The dividend is in accordance with the company's dividend policy and corresponds to 33.0% (34.6) of profit from property management. In addition, a distribution in kind of shares in Torslanda Property Investment AB (publ) to Sagax's holders of Class A and Class B common shares is proposed. It is proposed that every 30 Class A or Class B common shares carry the right to receive one (1) share in Torslanda Property Investment AB (publ) following a 10:1 split of the share in Torslanda Property Investment AB (publ).

FOURTH QUARTER OF 2019

- Rental revenue rose 12% to SEK 663 M (591).
- Profit from property management increased 29% to SEK 518 M (403).
- Profit from property management per Class A and B share after dilution rose 31% to SEK 1.43 (1.09).
- In total, property revaluation affected profit by SEK 1,148 M (479).
- Revaluation of financial instruments impacted profit by a total of SEK 192 M (13).
- Profit after tax for the period was SEK 1,529 M (767).
- Cash flow from operating activities before changes in working capital amounted to SEK 426 M (316), corresponding to SEK 1.14 (0.81) per Class A and B share after dilution.
- Net investments amounted to SEK 593 M (994), of which property acquisitions accounted for SEK 921 M (776).

FORECAST FOR 2020

Profit from property management for 2020, meaning profit before revaluations and tax, based on the current property portfolio and announced acquisitions and divestments and current exchange rates, is expected to amount to SEK 2,250 M. Sagax announced in a press release on 24 January 2020 that the company has entered into a conditional agreement to acquire 37 properties in Spain for an amount corresponding to SEK 1,560 M. The terms and conditions for the acquisition have not yet been fulfilled and accordingly the investment is not included in the forecast above.

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 31 December 2019 amounted to 3 022 000 square metres, distributed between 553 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 obliged to publish under the EU's Market Abuse Regulation. The information was released for publication, through the agency of the contact person above, on 7 February 2020 at 3:30 p.m. (CET).

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.