

PRESS RELEASE

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PANDOX ACQUIRES TWO HOTEL PROPERTIES

Pandox AB (publ) acquires the hotel properties Mr. Chip in Kista, Stockholm north and Hotell Högvakten in Helsingborg.

The acquisition price, including acquisition costs, for the hotel property Mr. Chip amounts to MSEK 124. Operating net, on a twelvemonth basis, is estimated to MSEK 11, resulting in a yield of 9.0 percent. Mr. Chip is part of the northern Stockholm hotel market that presently has an occupancy of about 67 percent. The hotel is strategically located in Kista, one of the most expansive areas of Stockholm and a center for IT and Telecom companies. The hotel was built in 1984 and has 150 rooms, conference center, restaurant and bar. It is operated by a private operator with a revenuebased lease with guarantee.

The hotel property Hotell Högvakten is acquired for MSEK 18.5, inclusive of acquisition costs. Yield is estimated to 9.0 percent. Hotell Högvakten is part of the Helsingborg city hotel market that presently has an occupancy of approximately 61 percent. The hotel has 42 rooms and is located in central Helsingborg, adjacent to the Radisson SAS Grand Hotel hotel property, also owned by Pandox.

As a result of the acquisitions, Pandox income before tax, on a twelvemonth basis, will increase by MSEK 2.6, equalling SEK 0.10 per share. Cash flow per share increases by SEK 0.16.

Pandox has now acquired two hotel properties and sold three in 2001. The transactions contribute to successively increase the quality of the hotel property portfolio regarding locality, revenue and future potential.

- "Pandox continues to act according to its strategy. The acquisitions immediately improve Pandox income and cash flow per share. Mr. Chip is the tenth hotel property owned by Pandox in Stockholm and improves Pandox revenue structure in one of the strongest hotel markets in Europe. Hotell Högvakten ensures the presence of Pandox in one of Pandox priority markets, Helsingborg", says Anders Nissen, CEO, Pandox AB.

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