

PRESS RELEASE

Stockholm September 16, 1999

PANDOX NEWLY ACQUIRED HOTEL PROPERTY, FOGG'S HOTEL IN STOCKHOLM WILL BE OPERATED BY CHOICE HOTELS SCANDINAVIA ASA

Pandox Hotellfastigheter AB (publ) has acquired the hotel property Fogg's Hotel in Stockholm from AMF Pension and has simultaneously acquired the operations of Fogg's Hotel from International Policy Management AB.

Pandox has now sold the operations and signed a new lease with Choice Hotels Scandinavia ASA (CHS) starting October 1 1999, the date when Pandox takes possession of the hotel property and operations. CHS will at the same time take over approximately 30 employees of the 146 room hotel. The hotel will be operated under the name Quality Hotel Nacka. Quality is the brand name of Choice Hotels for full service hotels

Choice Hotels Scandinavia ASA is the second largest hotel chain in Scandinavia with 98 hotels, and is, from 1997, listed on the Oslo Stock Exchange.

- "By cooperating with Choice we have an excellent opportunity to take advantage of the continuously growing hotel market in Stockholm. The acquisition of Fogg's Hotel, the sale of the operations and the signing of a new lease are good examples of our active ownership and where the Pandoxmodel creates profitable business opportunities. ", says Anders Nissen, Managing Director, Pandox Hotellfastigheter AB.

❖ ❖ ❖

For further information:

Anders Nissen, Managing Director Pandox Hotellfastigheter AB, +46 8 506 205 50,
+46 70 846 02 02

Claes Livijn, Asset Manager, Pandox Hotellfastigheter AB, +46 8 506 205 50

Pandox Hotellfastigheter AB has been noted on the O-list of the Stockholm Stock Exchange since June 23, 1997 and owns 31 hotel properties in Sweden after the acquisition of the hotel property Fogg's Hotel. 60 percent of rental revenues is derived from the three largest hotel markets in Sweden, Stockholm, Gothenburg and Malmö. Result- and revenuebased leases account for over 65 percent of rental revenues.