

Press release

Hypo Real Estate Bank International: Successful completion of a SEK 1.1 billion (€18 million) senior investment facility plus an acquisition facility for the listed Swedish real estate company AB SAGAX (publ)

Munich/Stuttgart/Stockholm, 7 July 2006: Hypo Real Estate Bank International announces that it has underwritten a SEK 1.1 billion (€18 million) senior investment facility plus an acquisition facility for the listed Swedish property company AB SAGAX. The facility includes the financing of all of AB SAGAX's real estate holdings in the Greater Stockholm area plus an acquisition facility for future expansion. The transaction closed today.

The senior investment facility includes the financing of 30 assets in the Greater Stockholm area with a total lettable area of 210,000 m², let to 133 tenants, representing a yearly rental value of SEK 150 m (€16 m). The portfolio serves a stable segment of tenants in middle-sized light-industry / service trade.

Commenting, Harin Thaker, CEO - Europe, said: "I'm pleased to announce that we have managed to develop and increase our relationship with a successful Swedish listed property company, which has been an important client to the Bank since 2000, by providing this well structured and flexible facility."

David Mindus, CEO AB SAGAX (publ) commented: "The long term commitment of Hypo Real Estate Bank International to our business since 2000 has been a key element to Sagax's successful growth strategy."

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Notes to editors**Hypo Real Estate Bank Group**

The **Hypo Real Estate Group** (HREG) is one of the largest European providers of commercial real estate financing. The group consists of the non-operational listed holding company, namely **Hypo Real Estate Holding AG** based in Munich, and three operational entities. The **Hypo Real Estate Bank International AG** (Stuttgart) combines the international real estate financing activities. The centre of competence for the German market is **Hypo Real Estate Bank AG** based in Munich. **Hypo Public Finance Bank** (Dublin) combines public finance and Capital Markets activities. For further information: www.hyporealestate.com.

AB SAGAX (publ)

The business idea is to invest in properties generating good return, primarily within the light industrial / warehouse segment. Sagax's property holdings amounts to 466,000 sqm. distributed on 49 properties. AB Sagax (publ) is connected to First North. Additional information is available on www.sagax.se