

CATENA Q4

Year-End Report, January–December 2013

- Property income during the year totalled SEK 316.8m (286.2m).
- Operating profit was SEK 221.3m (184.9m).
- Profit for the year amounted to SEK 138.4m (220.3m), corresponding to earnings per share of SEK 9.81 (19.26), including changes totalling SEK 33.3m (53.5m) in property values.
- The Board proposes a dividend of SEK 2.00 (1.00) per share.
- During the autumn, Catena acquired a portfolio of logistics properties from Brinova for a property value of SEK 3,828m.

Key events during the fourth quarter

- A new share issue was implemented, raising the number of Catena's shares to 25,195,452.

Key events since year-end

- Since 2 January 2014, Catena's shares have been traded on the NASDAQ OMX Stockholm Mid Cap List.
- After year-end, Catena acquired two properties for SEK 396m in Haninge and Nässjö. These properties comprise 48,000 sq.m. of logistics space. The property income is expected to amount to some SEK 32m a year. In conjunction with the deal, notice was sent of an extraordinary meeting of shareholders to deal with the question of a directed share issue of SEK 50m to the sellers.

Mission

Catena's mission is to own, efficiently manage and actively develop well-located properties with the capacity to generate a stable, growing cash flow and good value growth.

Regions

SEK million	2013	2012	2013	2012
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Property income				
Stockholm	38.8	37.7	142.1	145.9
Gothenburg	23.9	13.6	90.9	52.5
Öresund	20.4	17.5	77.2	87.8
Solna Project	6.6	-	6.6	-
Total	89.7	68.8	316.8	286.2
Operating profit				
Stockholm	29.4	24.3	101.8	101.9
Gothenburg	16.3	8.7	62.0	37.6
Öresund	14.4	12.2	52.9	45.4
Solna Project	4.6	-	4.6	-
Total	64.7	45.2	221.3	184.9

The group in figures	2013	2012	2013	2012
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Property income, SEK m	89.7	68.8	316.8	286.2
Operating profit, SEK m	64.7	45.2	221.3	184.9
Profit from asset management, SEK m	31.7	76.4	147.0	178.8
Profit for the year, SEK m	20.7	98.3	138.4	220.3
Earnings per share, SEK	0.9	8.5	9.8	19.3
Surplus ratio, %	72.1	65.7	69.9	64.6
Equity ratio, %	32.6	21.4	32.6	21.4
Leasing ratio, %	87.2	89.2	87.2	89.2

Group profit does not report full-year figures owing to the reverse acquisition. For more information, see page 9.

Catena's acquisition of Brinova's logistics portfolio

In September 2013, Catena AB (publ) took over the shares in Brinova Logistik AB. The two sets of operations complement each other well, and this was the decisive reason for Catena's acquisition of Brinova's logistics portfolio.

Owing to this acquisition, Catena has a strong property business with a focus on competitive logistics properties. These properties are in strategic locations along the more important Swedish transport routes. The strong position in logistics has been attainable thanks to a skilled organisation and an ability to meet stringent customer requirements.

Catena's property expertise and the cash flow generated by management of the logistics properties enable the company to benefit from the value potential in the 'Haga Norra City Block' development project in Solna, which was already included in Catena's portfolio. There, Catena is planning to build an entirely new city district with modern homes and offices.



Köpingegården 1, Helsingborg (cover image)

Top property company in logistics

The Swedish listed company Catena acquired logistics properties from Brinova in autumn 2013. The merger of Catena and Brinova is paving the way for Sweden's foremost property company in logistics.

The year 2013 was an eventful one for Catena, to say the least. In the first nine months of the year, our work consisted mainly in monitoring the ongoing planning process for the Stora Frösunda property and reviewing the tenant, Bilia. At the end of the third quarter, Brinova's stock of logistics properties was acquired and, in conjunction with this, I and the majority of my colleagues from the Brinova organisation took up new positions in Catena. Supplemented by a few recruits, we have assembled a full, proficient team with ample knowledge of the property sector as well as logistics, and with long experience of developing and running listed companies. Although the last few months have involved a great deal of administrative work, we have succeeded in retaining the focus on developing our operations and we note a higher surplus ratio, as well as an improved operating profit.

Financial results and key figures do not reflect the whole impact of our merger with Catena. The repercussions will not be complete until next year, when the full-year effects of finished projects and other work make themselves felt. Moreover, the new share issue associated with the acquisition is yielding key figures that are not directly comparable from year to year without in-depth analysis.

In Brinova's last year-end report, I wrote that the ambition for 2013 was — based on our organisation's expertise and the company's financial strength — to create a dedicated logistics company with three management regions: Stockholm, Gothenburg and Öresund. Basically, we have now arrived, having already become one of Sweden's leading property companies in the logistics sector. At year-end, our 650,000 sq.m. of logistics properties had a total value of just under SEK 4 billion, i.e. some SEK 5,900 per square metre.

Catena had already embarked on one of Sweden's most interesting and well-located development projects, Haga Norra in Solna. The area is very well located in terms of communications, immediately adjacent to the expanding city districts of Arenastaden, Nya Karolinska and Hagastaden. Our Haga Norra project contains building rights for the equivalent of 70,000 sq.m. in commercial floor space; 800 apartments, i.e. roughly 80,000 sq.m.; and about 50,000 sq.m. below ground level, intended for garages and other purposes. Altogether, this represents a total investment of over SEK 4 billion in current monetary value and an implementation period of five to ten years. We expect the local plan for the area, which has been adopted but appealed, to enter into force in 2014.

We will continue to grow by developing new, rational and optimally located logistics properties, as well as through acquisitions. In a world of increasingly stiff competition, our entitlement as a supplier is based on our ability to help our customers rationalise their operations even further so as to reduce their costs. Simultaneously, our rightful long-term status as a listed company is founded on our capacity to generate a higher return than other companies. We are equipped to succeed in both tasks and look forward to an exciting 2014.

Solna, February 2014

Gustaf Hermelin, Chief Executive Officer



Year-End Report, January–December 2013

Income statement

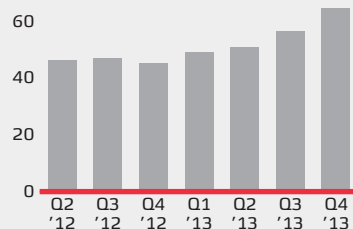
SEK m	2013	2012	2013	2012
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Property income	89.7	68.8	316.8	286.2
Property costs	-25.0	-23.6	-95.5	-101.3
Operating profit	64.7	45.2	221.3	184.9
Central administration	-6.9	-	-8.6	-
Other operating income	0.2	1.9	2.1	1.9
Other operating costs	-0.2	-1.9	-2.1	-1.9
Interest in joint-venture profits	-0.3	44.2	4.6	50.5
Financial income	1.5	5.5	18.4	20.1
Financial expense	-27.3	-18.5	-88.7	-76.7
Profit from asset management	31.7	76.4	147.0	178.8
Realised changes in value of investment properties	-	0.1	2.4	27.5
Unrealised changes in value of investment properties	-	-	30.9	26.0
Changes in value of derivatives	4.4	-	4.4	-
Pre-tax profit	36.1	76.5	184.7	232.3
Tax paid	-	-0.3	-	-0.3
Tax deferred	-15.4	22.1	-46.3	-11.7
Profit for the year	20.7	98.3	138.4	220.3
Profit for the year distributed among parent company's shareholders	20.8	98.3	140.2	222.7
Profit for the year distributed among holdings without decisive influence	-0.1	-	-1.8	-2.4
Key figures before and after dilution				
Shareholders' equity, SEK per share	65.0	53.4	65.0	53.4
Profit for the year, SEK per share	0.9	7.2	9.8	16.3
Number of outstanding shares, million	25.2	13.6	25.2	13.6
Overall profit				
Profit for the year	20.7	98.3	138.4	220.3
Other overall profit for the year	-	-	-	-
Total overall profit for the year	20.7	98.3	138.4	220.3
Overall profit for the year distributed among parent company's shareholders	20.8	98.3	140.2	222.7
Overall profit for the year distributed among holdings without decisive influence	-0.1	-	-1.8	-2.4

Group profit does not report full-year figures owing to the reverse acquisition. For more information, see page 9.

Operating profit

SEK m

80



Ädelmetallen 1, Jönköping

Lease expiry profile at 31 December 2013

Year of expiry	No. of leases	Contractual annual rent, SEK m	Contractual annual rent, %
2014	81	27.0	8
2015	21	19.6	5
2016	22	79.3	22
2017	19	59.2	16
2018	5	17.6	5
2019+	30	161.7	44
Subtotal	178	364.4	100
Parking spaces etc.	9	1.3	0
Total	187	365.7	100

Property income

Of Catena's contractual annual rent, earnings from long-term leases account for some 65% of the total annual figure. This entails stable income with no variation from one period to the next, apart from the effects of acquisitions and sales. Thanks to well-implemented renegotiations and new leases, the average lease period is just over five years.

Compared with the previous year, property income rose by SEK 30.6m, mainly owing to completed projects and acquired properties.

Property costs

Property costs fell by SEK 5.8m, mainly owing to new leases where the tenants have incurred the greater part of operating costs.

Financial expense

Financial expense rose by SEK 13.7m. This increase was attributable mainly to renegotiations of debts to credit institutions.

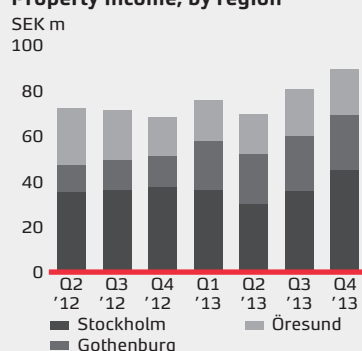
Profit for the year

Profit after tax for the year, compared with the previous year, fell by SEK 81.9m to SEK 138.4m. This was due mainly to reduced positive value changes and tax. The tax item includes deferred tax attributable to revaluation of temporary differences of SEK 5.6m in acquired companies.

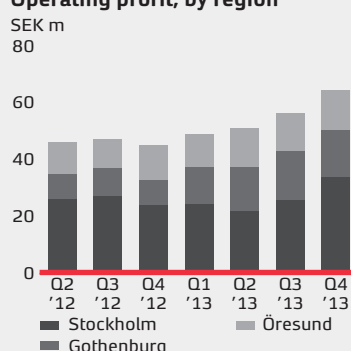
Associated companies

The figure for full-year profit includes transactions with three associated companies: Backahill AB, Hansan AB and TAM Group AB. These transactions, relating to tenancies and consultancy services, do not amount to any substantial sum.

Property income, by region



Operating profit, by region



Workforce, group



Cash flow

SEK m	2013	2012
	Jan-Dec	Jan-Dec
Profit before tax	184.7	232.3
Adjustment for items not included in cash flow	3.1	-104.0
Tax paid	-	-0.3
Cash flow from current operations before changes in operating capital	187.8	128.0
Change in operating receivables	3.9	-15.4
Change in operating liabilities	-9.8	-9.8
Cash flow from current operations	181.9	102.8
Acquisition of assets through subsidiaries	89.2	-110.8
Divestment of operations	-	134.3
Acquisition of investment properties	-268.9	-207.7
Sale of investment properties	4.8	4.1
Acquisition of tangible assets	-1.3	-
Change in financial assets	-230.9	-
Cash flow from investment operations	-407.1	-180.1
Change in loans	438.6	77.4
Dividend paid	-	-
Cash flow from financing operations	438.6	77.4
Interim cash flow	213.4	0.1
Opening liquid funds	0.2	0.1
Closing liquid funds	213.6	0.2

Analysis of cash flow

Cash flow for the period under review amounted to SEK 213.4m. This cash flow was boosted by the deal implemented between Catena and Brinova Fastigheter AB through settlement of previous internal group accounts with Brinova Logistik AB. At the same time, the cash flow was reduced by investments of SEK 268.9m in properties, which Catena financed partly by taking out new loans.

Balance sheet

SEK m	2013	2012
	31 Dec	31 Dec
Assets		
Fixed assets		
Investment properties	4,722.3	3,382.4
Tangible assets	1.1	-
Financial assets	31.3	26.9
Deferred tax claim	16.1	5.2
Current assets		
Current receivables	53.6	28.4
Liquid funds	213.6	0.2
Total assets	5,038.0	3,443.1
Shareholders' equity and liabilities		
Shareholders' equity attributable to parent company's owners	1 636.5	727.7
Shareholders' equity attributable to holdings without decisive influence	5.4	7.3
Long-term liabilities		
Debts to credit institutions	2,954.5	2,048.1
Deferred tax liability	272.6	212.2
Other long-term liabilities	0.8	-
Current liabilities		
Debts to credit institutions	8.5	10.8
Other current liabilities	159.7	437.0
Total shareholders' equity and liabilities	5,038.0	3,443.1

Former Catena's balance sheet, acquired by Brinova Logistik

SEK m	2012
	31 Dec
Investment properties	850.0
Current and long-term receivables	16.6
Liquid funds	57.7
Total assets	924.3
Shareholders' equity	480.9
Provisions	120.4
Interest-bearing liabilities	306.0
Non-interest-bearing liabilities	17.0
Total shareholders' equity and liabilities	924.3



Törsjö 2:49, Örebro

Debts to credit institutions

Debts to credit institutions amounted to SEK 2,963.0m (2,058.9m). The loan limit at 31 December 2013 was SEK 3,270.0m.

All the loans were renegotiated and approved by the creditors in conjunction with the reverse acquisition.

Debts to credit institutions, 31 December 2013

Year of maturity	SEK m	Interest, % ¹	Percentage
2014	1,963.0	2.6	66.2
2021	500.0	4.3	16.9
2022	500.0	3.7	16.9
Total	2,963.0	3.1	100.0

¹ Average interest rate concerned at 31 December 2013. Rates vary with overall rates, subject to current rate-cap limits.

Derivative instruments

Financial instruments consist of derivative instruments in category 2 of the valuation hierarchy.

Derivatives have been taken out for 38% of the group's debts to credit institutions.

Interest-rate hedging through interest-rate caps

Start year	End year	Interest, %	SEK m
2009	2014	4.5	28.0
Total			28.0

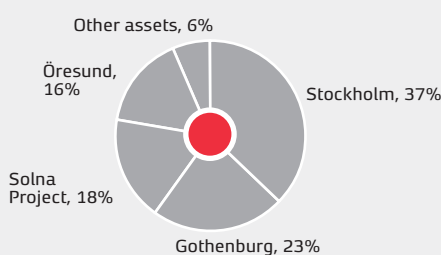
Interest-rate hedging through interest-rate swaps

Start year	End year	Interest, %	SEK m
2009	2014	2.6	87.6
2011	2021	2.9	500.0
2012	2022	2.3	500.0
Total			1,087.6

Change in shareholders' equity

SEK m	2013 31 Dec	2012 31 Dec
Opening balance	735.0	558.5
Dividend paid to shareholders	-28.0	-43.8
Acquisition of Catena	616.3	-
Capital contribution	180.2	-
Overall profit for the year attributable to holdings without decisive influence	-1.8	-2.4
Overall profit for the year attributable to parent company's shareholders	140.2	222.7
Closing balance	1,641.9	735.0
Attributable to:		
Parent company's shareholders	1,636.5	727.7
Holdings without decisive influence	5.4	7.3

Asset distribution, %



Book value: SEK 5,038m



Terminalen 1, Hallsberg

Property stock by region

Regions	No. of properties	Leasable area, '000 sq.m.	Book value, SEK m	Rental value, SEK m	Economic leasing ratio	Contractual annual rent, SEK m	Surplus ratio
Stockholm	21	293.1	1,883.7	191.0	85%	162.5	72%
Gothenburg	10	184.4	1,152.3	116.9	82%	95.7	68%
Öresund	13	172.4	801.3	84.4	96%	81.1	69%
Solna Project	1	40.7	885.0	27.0	98%	26.4	70%
Total, properties	45	690.6	4,722.3	419.3	87%	365.7	70%

Changes in property stock

Investments in existing properties during the year amounted to SEK 186.7m (207.7m), most of which related to investments in new building at three properties: Köpingegården 1 in Helsingborg and Backa 23.5 and Högsbo 21:1 in Gothenburg.

Another property, Stora Frösunda 2 in Haga Norra, Solna, was acquired indirectly through the reverse acquisition made when Catena acquired Brinova Logistik AB. This property is scheduled for development and most of it is currently leased. The property value of SEK 885m consists essentially in an estimated value of potential building rights with respect to housing and commercial premises that may be attainable as a result of the local planning that is currently under way.

Kroksabeln 17, a property in Helsingborg was acquired at a property value of SEK 17m. This is a logistics property.

The Terminalen 1 property in Hallsberg is a combi terminal that was acquired at a property value of SEK 140m.

An agreement on acquisition by means of land consolidation was signed regarding Dikartorp 3:6 in Järfälla, at a property value of SEK 80m. With the signing of this agreement, the property is seen as acquired.

Two minor property sales were implemented at a profit of SEK 2.4m. These sales were carried out mainly in order to concentrate the logistics stock.

Property valuation

Property designation	Completion date	Region	Municipality	Area, sq.m.
Backsippan 14, 15, 16	1 July 2013 1 September	Öresund	Åstorp	Land
Kastanjen 19	2013	Öresund	Bjuv	470
Total				470

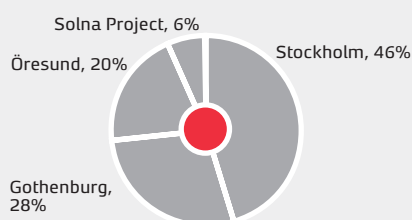
Property acquisitions

Property designation	Completion date	Region	Municipality	Area, sq.m.
Kroksabeln 17	2 April 2013	Öresund	Helsingborg	7,416
Terminalen 1	31 August 2013 6 September	Stockholm	Hallsberg	25,850
Dikartorp 3:6	2013 30 September	Stockholm	Järfälla	23,970
Stora Frösunda 2	2013	Stockholm	Solna	40,723
Total				97,959

Property stock

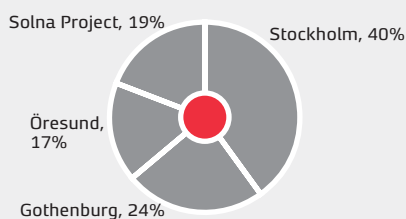
	31 December 2013	
	Book value	Number of properties
Property stock at 1 January 2013	3,382.4	45
Acquisitions	1,125.6	4
Investments in existing properties	186.7	
Sales	-3.3	-4
Unrealised value changes	30.9	
Total, investment properties	4,722.3	45

Rental value by region, %



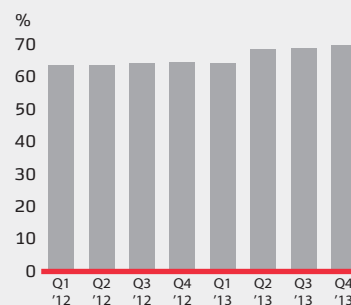
Rental value: SEK 419.3m

Property stock by region, %



Book value: SEK 4,722.3m

Surplus ratio



Property valuation

Every quarter, Catena implements internal valuations of all its investment properties. These internal valuations then form the basis for the book values disclosed in the balance sheet. To verify the internal valuations, external valuations of a selection of our properties are also carried out. During the third quarter, external valuations were implemented because of the acquisition of Brinova Logistik AB.

Some leeway is allowed between the value according to the internal valuation and book value before the adjustment of book value is carried out. The deviation must lie within a range governed by the permitted deviation, $\pm 0.25\%$, from the set yield requirement. Only when the deviation exceeds or falls short of this range is book value adjusted. This deviation is accepted since there is always some uncertainty in estimated figures.

Market prospects

Demand for business premises in our market segments is good. Rents are unchanged compared with previous quarters, but contract negotiations afford scope for slightly raised levels, if with shorter agreed periods. Catena sees opportunities to expand over the next few years. The market for efficient, correctly located logistics properties remains attractive owing to raised requirements in terms of environmentally efficient and cost-effective deliveries. As for the Solna property, demand for building rights relating mainly to housing remains high.

Reverse acquisition

At 30 September 2013, Catena acquired Brinova Logistik AB through a non-cash issue that gave the owners of Brinova Fastigheter AB decisive influence in Catena.

The acquisition of Brinova Logistik AB is reported as a reverse acquisition, which means that Brinova Logistik AB is, in accounting terms, seen as the acquirer in the transaction. The year-end report is thus drawn up as a continuation of the Brinova Logistik AB group's financial reports, and comparative figures and current periods have thus been

recalculated to reflect this fact. Accordingly, Catena's income and expenses are eliminated in net profit. The transaction is an asset acquisition, i.e. the value of the shares issued were determined on the basis of the value of assets acquired in accordance with International Financial Reporting Standard (IFRS) 2, *Share-based Payment*.

Catena shares

Catena's shares were registered on the Nasdaq OMX Stockholm Nordic List Small Cap at year-end. Since 2 January 2014, the shares have been traded on the Mid Cap List. The closing price on 31 December 2013 was SEK 100.00, against the opening price of SEK 63.00 on 2 January 2013, representing a rise of 59% during the period. During the year, the highest price noted for Catena's shares was SEK 103.50 and the lowest SEK 63.00.

Ownership structure at 31 December 2013

	Number of shares, '000	Votes, %
Backahill	11,680	46.4
Endicott Sweden AB (CLS Holdings plc)	3,469	13.8
Fabege AB (publ)	3,469	13.8
SFU Sverige AB	1,951	7.7
Catella Fondförvaltning	776	3.1
JPM Chase NA	645	2.6
Livförsäkrings AB Skandia	277	1.1
Banque Carnegie Luxembourg SA	208	0.8
Handelsbanken Fonder AB	118	0.5
CBNY-DFA-INT SML CAP V	100	0.4
Mellon US Tax Exempt Account	64	0.3
Swedbank Robur Fonder	60	0.2
Other shareholders	2,378	9.3
Total	25,195	100.0

Dividend policy

The intention is that Catena's dividend will, in the long term, amount to 50% of profit from asset management, less standard tax.

Share-price trend, 1 January 2012 to 31 December 2013



Key figures¹

For definitions of key figures, see the last page.	2013 Jan-Dec	2012 Jan-Dec
Financial		
Return on shareholders' equity, %	11.7	34.1
Return on capital employed, %	6.3	9.5
Interest coverage ratio, times	3.2	4.0
Equity ratio, %	32.6	21.4
Profit from asset management, SEK m	147.0	178.8
Pre-tax profit, SEK m	184.7	232.3
Profit for the year, SEK m	138.4	220.3
Balance-sheet total, SEK m	5,038.0	3,443.1
Share-related		
Before and after dilution		
Shareholders' equity, SEK per share	64.95	62.93
Earnings per share, SEK	9.81	19.26
Cash flow per share, SEK	14.93	0.01
Number of outstanding shares, million	25.2	11.6
Property-related		
Property income, SEK m	316.8	286.2
Operating profit, SEK m	221.3	184.9
Rental value, SEK m ¹	419.3	356.3
Economic leasing ratio, %	87	89
Surplus ratio, %	70	65
Leasable area, '000 sq.m.	690.6	575.8

¹ On properties still held at year-end.

Dividend and meetings of shareholders

Notice has been sent to attend an extraordinary general meeting on 7 March 2014, at which the agenda will be a directed share issue of SEK 50m for the sellers of the Haninge and Nässjö properties.

The annual general meeting (AGM) will be held in Stockholm on 6 May 2014 at 4.00 pm. The Board will recommend the AGM to adopt a cash dividend of SEK 2.00 per share, totalling some SEK 51m.

Comments on the bar charts below:

Financial targets

The target return on equity is at least 5 percentage points higher than the interest rate on a Swedish five-year government bond, while the interest coverage ratio should not fall below 1.75 times and the equity ratio should be at least 30%.

Other major events during the year

Acquisition of the Terminalen 1 property in Hallsberg, with an area of 25,850 sq.m., took place at a property value of SEK 140m. An agreement was also signed to acquire Dikartorp 3:6 in Järfälla at a property value of SEK 80m.

At the extraordinary general meeting held in conjunction with Catena's acquisition of Brinova Logistik AB, a partially new Board was elected. The new members are Erik Paulsson, Andreas Philipsson and Gustaf Hermelin, while Christer Sandberg and Lennart Schönning left the Board. Simultaneously, Gustaf Hermelin was elected the new CEO of Catena and a new company management was appointed.

Catena established regional divisions comprising the Stockholm, Gothenburg, Öresund and Solna Project regions.

In conjunction with the deal, Catena took over the majority of Brinova Fastigheter AB's employees. The new organisation consists of 20 people.

The new shares began to be traded on 18 October 2013. Catena's registered share capital amounted at that date to SEK 110,859,988.80 kronor and comprised 25,195,452 shares.

The Board has adopted new financial objectives and a new dividend policy; see below and on page 9.

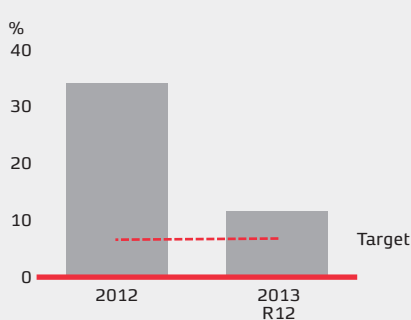
The Board has decided to appoint Mikael Halling as Catena's deputy CEO.

Events since year-end

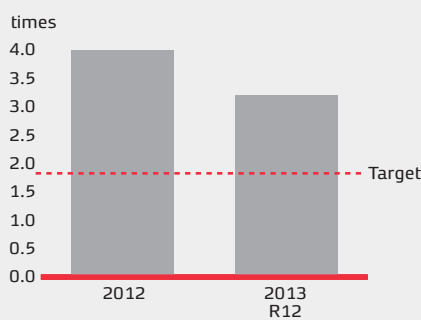
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On 13 February, Catena acquired two properties for SEK 396m in Haninge and Nässjö. These properties comprise 48,000 sq.m. of logistics space. The property income is expected to amount to some SEK 32m a year.

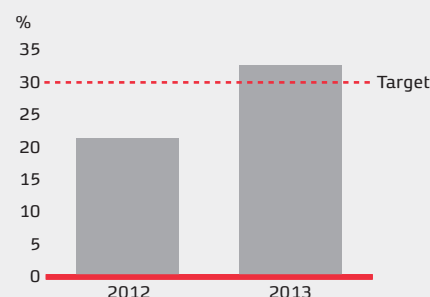
Return on equity



Interest coverage ratio



Equity ratio



R12 = Rolling 12-month basis

Parent company's financial statements

Income statement	2013	2012
SEK m	Jan-Dec	Jan-Dec
Net turnover	9.9	4.1
Cost of services performed	-21.4	-5.9
Gross profit or loss	-11.5	-1.8
Financial income and expense		
Other interest income and similar income	21.8	21.0
Profit from participation in group companies	11.1	-
Interest costs and similar expense	-19.9	-12.6
Pre-tax profit	1.5	6.6
Tax on profit for the year	-2.9	-1.7
Profit for the year	-1.4	4.9
Overall profit or loss		
Profit or loss for the year	-1.4	4.9
Other overall profit or loss	-	-
Total overall profit or loss for the year	-1.4	4.9
Balance sheet		
SEK m	2013	2012
	31 Dec	31 Dec
Assets		
Fixed assets		
Tangible assets	1.1	-
Financial assets	1,227.3	56.5
Deferred tax claim	2.4	1.1
Current assets		
Long-term claims	4.7	-
Claims on group companies	1,200.7	439.8
Current receivables	16.5	2.3
Liquid funds	209.9	42.6
Total assets	2,662.6	542.3
Shareholders' equity and liabilities		
Shareholders' equity	1,297.5	168.3
Long-term liabilities		
Other long-term liabilities	1.8	10.0
Current liabilities		
Debts to group companies	1,315.3	356.1
Debts to joint ventures	14.1	-
Other current liabilities	33.9	7.9
Total shareholders' equity and liabilities	2,662.6	542.3

The changes compared with the previous year's figures are very largely due to the acquisition of Brinova Logistik AB.

Accounting and valuation principles

Catena AB draws up its consolidated accounts in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and also with interpretive statements from the International Financial Interpretations Committee (IFRIC), as approved by the European Commission for application in the EU. The parent company applies the same accounting principles as the group, but taking into consideration the recommendations from the Swedish Financial Reporting Board in RFR 2, *Accounting for Legal Entities*. Deviations from IFRS are, in some cases, prompted by restrictions pursuant to the Swedish Annual Accounts Act and the Act on safeguarding of pension undertakings, and in some cases for tax reasons. This interim report was drawn up in accordance with IAS 34, *Interim Financial Reporting*.

Modified accounting principles in 2013

Layout of income statement

Catena has decided to change the layout of its income statement. This is because Catena regards the modified layout as reflecting its operations better and being in line with most other property companies, which thus enhances comparability.

Activation of loan costs

Catena has also decided to start activating interest rates for qualifying assets. This is optional for assets that are valued at true value. The change in principle has not had any influence on the financial reports.

Risks and uncertainty factors

In order to draw up the accounts according to generally accepted accounting principles, the company management must make assessments and assumptions that affect the asset and liability items and the income and expense items disclosed in the annual accounts, and also other information provided. Actual outcomes may diverge from these assessments. Catena's risks are described, in Swedish, on pages 13–14 of *Årsredovisningen 2012* (the Annual Report for 2012). No essential changes have occurred since then.

Solna, February 2014

Catena AB (publ)

The Board

This report has not been subjected to special examination by the company's auditors.



Mosås 4:66, Örebro

Definitions

Earnings per share

Profit for the year attributable to the shareholders in the parent company, in relation to the average number of outstanding shares.

Economic leasing ratio

Contractual rent for leases in force at year-end, as a percentage of rental value.

Equity per share

Shareholders' equity attributable to the parent company's owners, in relation to the number of shares at year-end.

Equity ratio

Shareholders' equity, including minority interests, as a percentage of the balance-sheet total.

Interest coverage ratio

Profit after financial items with adding-back of financial expense, in relation to financial expense.

Rental value

Closing rent on an annual basis with the addition of estimated market rent for vacant floor space.

Return on equity

Profit for the year as a percentage of average shareholders' equity.

Return on total assets

Profit after financial items with the addition of financial expense, as a percentage of the average balance-sheet total.

Surplus ratio

Operating profit as a percentage of contractual rental income.

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Financial reporting

Interim Report, January–March	6 May 2014
Annual General Meeting 2014, in Stockholm, 4.00 pm	6 May 2014
Interim Report, January–June	8 July 2014
Interim Report, January–September	7 November 2014
Year-End Report 2014	26 February 2015
Annual General Meeting 2015, in Stockholm, 4.00 pm	28 April 2015



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