

CATENA Q2

Interim report January-June 2019

- Rental income increased by 11 percent to SEK 585.0 million (527.5).
- The net operating surplus increased by 15 percent to SEK 455.1 million (396.6).
- Profit from property management rose by 16 percent to SEK 317.9 million (274.2).
- Profit for the period increased to SEK 507.5 million (371.2), corresponding to earnings per share of SEK 13.46 (9.92), including changes in value of SEK 324.6 million (108.9).
- Net asset value per share, EPRA NAV, increased to SEK 182.01 (156.40).

Events in the second quarter

- Catena has signed a lease with PostNord and is investing SEK 36 million in a 2,000 square metre terminal in Katrineholm.
- The 7,800 square metre Muttern 6 logistics property in Kungälv was acquired at a property value of SEK 52 million.
- Catena has signed a lease with Speed Logistics and is investing SEK 65 million in a 7,500 square metre extension of the Rosersberg 11:81 property in Sigtuna.



We link Scandinavia's cargo flows

This information is such that Catena AB (publ) is obliged to publish under the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication on 8 July at 08:00 a.m.

A presence in central logistics locations is a success factor for PostNord

Catena's construction of a new 18,300 square metre terminal at the Tostarp Logistics Position in the east of Helsingborg is to commence shortly. For the tenant, PostNord, the new facility is a natural step, since parcel volumes from Europe are continuously increasing.

PostNord offers communications and logistics solutions and the new terminal, the company's 11th, will primarily handle parcels, piece goods and distribution operations, as well as a certain amount of letter distribution. The tenant is scheduled to move in in the summer of 2020. Mattias Hovinen is the project manager at PostNord, leading property development projects in the company's Nordic terminal network all the way from concept to occupancy.

"The location at Tostarp in Helsingborg is excellent for several reasons – we can relieve existing terminals as import volumes increase and meet the growth of our e-commerce customers and our own TPL operations, which are growing. At the same time, our presence is strengthened in a region experiencing strong development, providing competitive advantages," says Mattias.

"The new terminal also allows us to co-locate terminal and distribution operations through closer collaboration with nearby facilities. That entails significant synergies," he continues.

Changed customer needs

To adapt to continuously growing e-commerce, with parcel volumes increasing and letter volumes decreasing drastically, PostNord is working purposefully to add capacity and identify new solutions. "Same-day deliveries" were recently launched in Sweden on a trial basis and, in Denmark, digital parcel boxes have been introduced within walking distance from people's homes for easier, more convenient and environmentally friendly deliveries. PostNord perceives increasing interest and commitment to sustainability issues among customers.

"Studies show that increasing numbers of consumers are prepared to make active choices for more environmentally-adapted deliveries. This requires increased transparency on our part and the capacity to propose more sustainable alternatives. I see a considerable potential in AI and 'machine learning' here, streamlining transport methods and logistics to be able to answer in detail questions regarding returns and how fully loaded vehicles are," says Mattias.

Sustainable cooperation

Reviewing flow analyses for transport methods, the effect on emissions and aspects of structural engineering are part of

the process when selecting locations in which to establish operations. The new Tostarp terminal will be environmentally certified in accordance with the Sweden Green Building Council's Miljöbyggnad Silver certification, which is also the ambition for all of Catena's new construction projects.

"It is gratifying that we share our ambitions to reduce the ecological footprint and this demonstrates our long-term strategy with Catena whereby we hope to identify innovative new solutions together," summarises Mattias Hovinen.



Focus on Helsingborg region

Catena's regional manager in Helsingborg, Göran Jönsson, is keen to highlight the substantial logistics advantages offered by the Helsingborg region, part of the Northern European, Greater Copenhagen metropolitan area.

"PostNord's establishment confirms the Tostarp Logistics Position as a central logistics hub, with its excellent location adjacent to the E4 and E6 motorways. For companies with European goods flows, this could not be better," says Göran.

Approximately 70,000 square metres of land remains to be developed at Tostarp once the new terminal is completed in 2020. Ängelholm is another strategically important logistics location in the region, with similar conditions.

"With our agreement to acquire 600,000 square metres of logistics land adjacent to the existing E-City Engelholm, we aim to build a complete e-commerce cluster meeting the needs that arise as flows and consumption patterns change and become globalised," says Göran.

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The Catena Group in figures

	2019 Apr-Jun	2018 Apr-Jun	2019 Jan-Jun	2018 Jan-Jun	Rolling 12-month	2018 Jan-Dec
Rental income, SEK M	291.0	264.3	585.0	527.5	1,148.2	1,090.7
Net operating surplus, SEK M	231.9	204.0	455.1	396.6	886.1	827.6
Surplus ratio, %	79.7	77.2	77.8	75.2	77.2	75.9
Profit from property management, SEK M	162.0	138.3	317.9	274.2	615.0	571.3
Profit for the period/year, SEK M	261.7	194.6	507.5	371.2	959.7	823.4
Earnings per share, SEK	6.94	5.20	13.46	9.92	25.46	21.93
Equity ratio, %	32.8	31.5	32.8	31.5	32.8	33.2
Economic letting ratio, %	95.5	95.2	95.5	95.2	95.5	95.9

Strong cash flow enables development

An increase in profit from property management by 16 percent generates a capacity to continue strengthening Catena's position through further investment and active project development.

We can state that rental income increased by 11 percent, the net operating surplus by 15 percent and profit from property management by 16 percent, compared with the corresponding period in 2018. Profit from property management amounted to SEK 317.9 million, totalling 54 percent of rental income. This basically constitutes our cash flow before changes in working capital, an outcome that matches well our ambition for the period and provides future capacity.

Each property is a business opportunity

Catena is growing through project development, both by establishing new strategic logistics positions and by refining and developing existing properties. With our 110 logistics facilities, we perceive continuous potential to adapt and refine the conditions of each property. This is how we and our customers can meet needs even better and ensure efficient logistics solutions for current and future flows.

One example is the Rosersberg 11:81 property outside Stockholm where we recently initiated an extension and are investing a total of SEK 65 million to extend the property by 7,500 square metres and to modernise existing premises. Following the investment, the property has slightly more than 30,000 square metres of space, enabling the tenant, Speed Logistics, to offer additional customers modern 3PL and e-commerce solutions. Another example is that we are looking into how we can environmentally certify the existing stocks. Our current target for new production is to achieve the Sweden Green Building Council's Miljöbyggnad Silver certification, with strict requirements on energy, indoor environment and choice of materials.

Our basic stance is that we should always add value where we can. The remaining investment volume in our ongoing project portfolio is SEK 600 million in new and existing properties and we are experiencing pressure from continued high demand. The market conditions for logistics space are good, and this is evident in the discussions we are conducting.

Energy efficiency – an important key

Development projects in which we review the energy solution result in improved environmental performance and lower expenses. Heating and energy comprise a significant part of our total operating expenses and we are investing continuously to increase energy efficiency. At the Vångagärdet 20 property in Helsingborg, work is underway to connect to the district heating network and uninstall inefficient steam boilers and natural gas, a measure that is expected to result in a reduced CO₂ impact of at least 765 tonnes annually. Other conditions apply for the Dikartorp 3:12 property in Jakobsberg. There, we have instead disconnected the property from the district heating to meet the energy needs through geothermal energy storage with active recharging. We have also installed heat pumps, an electric boiler for peak heating needs and 943 photovoltaic cell modules. Over a rolling 12-month period, the result is that normal year-adjusted heating consumption has decreased by 83 percent.

For the portfolio as a whole, energy consumption in the first half of 2019 was the lowest in Catena's history to date.



At the forefront

As a property owner, we become a reputable talking partner by remaining at the forefront and understanding the future of logistics. Securing that we have relevant knowledge and aggressive visions is as important as sharing them. With our annually recurring LogistikTrender event, we capture trends and solutions that can contribute to our customers' business. In May, we welcomed 350 invited guests who took a wealth of new insights and ideas home with them. This year's theme was the logistics revolution with the principal message that the task and role of logistics are changing at a fundamental level. From a property perspective, we perceive great opportunities in this. The logistics properties of the future are not merely ports of call in a flow but are adaptable and automated units interacting in an intelligent and sustainable network. This also means that the properties cannot fill just one function, but must be able to resolve a number of tasks in parallel or to switch from one task to another. This transformation is generating growth in our industry.

Favourable starting position

In addition to commitment, skill and our own capacity for change, Catena's strength is its solid customer base. Our ten largest tenants account for 45 percent of the income and include companies such as DHL, ICA and PostNord (which you can read more about in this report). This generates room for manoeuvre and enables aggressive investment whereby both major customers and completely new business concepts and companies can develop alongside us in our properties.

Helsingborg, July 2019

Benny Thøgersen, CEO

Income and profit

Rental income

Rental income in the period increased by 11 percent to SEK 585.0 million (527.5), corresponding to SEK 654/m² (637). The increase is mainly due to the acquisition and completion of major projects.

Income from contracts with terms of more than three years accounted for approximately 70 percent of Catena's contracted annual rent. This entails stable income that does not vary substantially between periods, except in connection with acquisitions, completed projects and sales. The average remaining lease period is slightly more than five years.

Duration of leases

Duration	No. of contracts	Contractual annual rent, SEK M	Contractual annual rent, %
2019	76	6.8	1
2020	143	135.5	11
2021	46	212.5	17
2022	51	143.2	12
2023	41	153.6	13
2024	19	105.9	9
2025+	62	442.5	37
Total	438	1,200.0	100

Property expenses

Property expenses decreased to SEK 129.9 million (130.9) despite a larger property portfolio, corresponding to SEK 145/m² (158). The decrease in expenses despite the larger property portfolio, is partly due to Catena's work to optimise the operating expenses yielding results and to this year's winter being milder than the previous year.

There are seasonal variations in the operation and maintenance of properties. Winters with much cold and snow entail higher costs for heating and snow removal. A hot summer can mean increased expenses for cooling. These variations, which have the greatest impact during the winter and summer months, are, to some extent, offset by a change in billed expenses to tenants.

On 1 January 2019, a new leasing standard IFRS 16 "Leases" took effect. The effect of the changed accounting is mainly that ground rents that were previously recognised as a part of the property expenses are now recognised as Financial expenses for lease assets. The ground rents amount to SEK 5.2 million for the six-month period. For more information, see the section Accounting and valuation principles on page 18.

Financial expenses

Financial expenses, excluding expenses for lease assets, amounted to SEK 113.4 million during the period (120.1). The financial expenses decreasing despite a larger loan portfolio is due to a lower average interest rate.

Profit

Profit from property management in the first half of the year rose by SEK 43.7 million to SEK 317.9 million compared with the preceding year – an increase of 16 percent. The biggest reason for the improved profit from property management is a larger operating surplus and lower cost of financing. Participations in profit of associated companies are significantly lower than in the preceding year, which is due to the holding in Huddinge Regulatorn, which accounted for the largest part of last year's profit, being divested in 2018 and the project property in Foodhills Fastighet AB generating a loss to date.

Profit for the period amounted to SEK 507.5 million, which is SEK 136.3 million higher than in the preceding year. Changes in the value of properties were SEK 271.2 million higher than in the preceding year. Realised changes in the value of properties amounted to SEK 12.5 million, stemming from the sale of the Högsbo 21:2 property in 2016. In connection with the divestment, a provision was made for rent guarantees up to and including 31 August 2019. The portion of the guarantee commitment that is not expected to be realised has been recognised as income. The negative change in the value of derivatives was SEK 66.1 million higher than in the preceding year. This was an effect of long-term market interest rates having fallen over the year.

The unrealised changes in value are of an accounting nature and do not affect cash flow.

Operating surplus, regions

	2019 Apr-Jun	2018 Apr-Jun	2019 Jan-Jun	2018 Jan-Jun	Rolling 12-month	2018 Jan-Dec
Gothenburg	38.5	35.6	75.6	70.0	149.9	144.3
Helsingborg	38.4	31.2	76.0	60.0	139.5	123.5
Jönköping	13.9	14.2	28.3	30.9	61.3	63.9
Malmö	32.9	29.5	62.3	54.0	119.4	111.1
Stockholm	108.2	93.5	212.9	181.7	416.0	384.8
Total	231.9	204.0	455.1	396.6	886.1	827.6

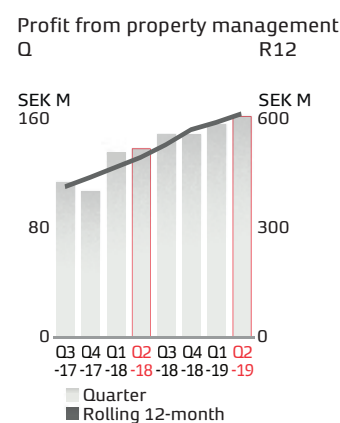
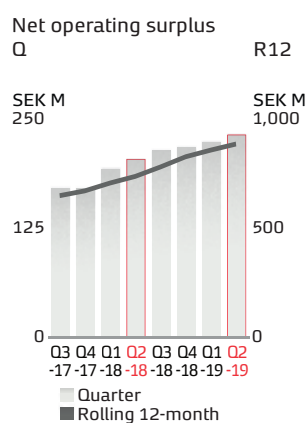
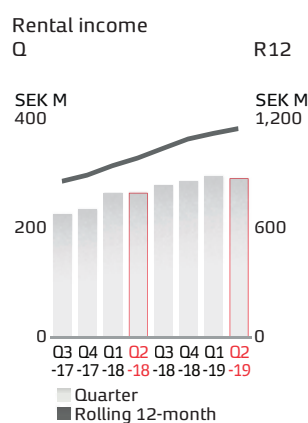
Rental income, regions

SEK M	Apr-Jun 2019		Apr-Jun 2018		Jan-Jun 2019		Jan-Jun 2018		Rolling 12-month		Jan-Dec 2018	
	Rental income	Of which, re-invoiced*	Rental income	Of which, re-invoiced.*	Rental income	Of which, re-invoiced.*	Rental income	Of which, re-invoiced.*	Rental income	Of which, re-invoiced.*	Rental income	Of which, re-invoiced.*
Gothenburg	43.4	2.2	40.7	1.8	86.7	4.5	80.9	3.6	171.2	8.7	165.4	7.8
Helsingborg	50.5	3.4	41.7	2.9	102.0	7.0	83.0	5.9	194.9	13.6	175.9	12.5
Jönköping	23.1	3.0	22.8	2.6	46.7	6.3	45.8	5.5	95.7	12.9	94.8	12.1
Malmö	46.4	9.3	42.5	9.2	91.8	19.4	84.0	18.1	178.3	39.0	170.5	37.7
Stockholm	127.6	8.1	116.6	9.3	257.8	18.6	233.8	19.2	508.1	39.4	484.1	40.0
Total	291.0	26.0	264.3	25.8	585.0	55.8	527.5	52.3	1,148.2	113.6	1,090.7	110.1

* Of which, re-invoiced expenses.

Consolidated Statement of Comprehensive Income

SEK M	2019 Apr-Jun	2018 Apr-Jun	2019 Jan-Jun	2018 Jan-Jun	Rolling 12-month	2018 Jan-Dec
Rental income	291.0	264.3	585.0	527.5	1,148.2	1,090.7
Property expenses	-59.1	-60.3	-129.9	-130.9	-262.1	-263.1
Net operating surplus	231.9	204.0	455.1	396.6	886.1	827.6
Central administration	-8.8	-8.6	-16.0	-16.2	-31.2	-31.4
Other operating income	0.5	0.6	1.3	1.4	2.4	2.5
Other operating expenses	-0.2	-0.2	-0.2	-0.2	-0.3	-0.3
Interest in profits from associated companies	-3.6	0.4	-5.8	11.2	-8.4	8.6
Financial income	1.3	0.8	2.1	1.5	3.5	2.9
Financial expenses	-56.5	-58.7	-113.4	-120.1	-231.9	-238.6
Financial expenses for lease assets	-2.6	-	-5.2	-	-5.2	-
Profit from property management	162.0	138.3	317.9	274.2	615.0	571.3
Realised changes in value of investment properties	12.5	1.2	12.5	1.9	15.3	4.7
Unrealised changes in value of investment properties	199.8	36.2	382.5	111.3	600.3	329.1
Changes in values of derivatives	-45.1	-15.3	-70.4	-4.3	-31.1	35.0
Profit before tax	329.2	160.4	642.5	383.1	1,199.5	940.1
Tax for the period/year	-67.5	34.2	-135.0	-11.9	-239.8	-116.7
Profit for the period/year	261.7	194.6	507.5	371.2	959.7	823.4
Other comprehensive income						
Translation difference	3.9	0.2	6.6	7.8	6.1	7.3
Comprehensive income for the period/year	265.6	194.8	514.1	379.0	965.8	830.7
Comprehensive income for the period/year distributed among the Parent Company's shareholders	265.6	194.8	514.1	379.0	965.8	830.7
Key share data						
Shareholders' equity, SEK per share	148.71	128.49	148.71	128.49	148.71	140.82
Net asset value per share, EPRA NAV, SEK	182.01	156.40	182.01	156.40	182.01	169.53
Profit for the period/year, SEK per share	6.94	5.20	13.46	9.92	25.46	21.93
Number of shares outstanding, millions	37.7	37.4	37.7	37.4	37.7	37.7



Financial position

Cash flow

SEK M	2019 Jan-Jun	2018 Jan-Jun	2018 Jan-Dec
Profit before tax	642.5	383.1	940.1
Adjustments for non-cash items	-318.1	-119.8	-375.6
Tax paid	-14.8	-13.9	-13.7
Cash flow before changes in working capital	309.6	249.4	550.8
Change in operating receivables	-17.6	-5.8	-13.9
Change in operating liabilities	27.0	41.9	-19.2
Cash flow from operating activities	319.0	285.5	517.7
Acquisition of assets via subsidiaries	-18.3	-	-75.3
Divestment of operations	-	11.9	24.3
Investments in investment properties	-371.2	-412.8	-796.6
Divestment of investment properties	-	1.8	4.8
Acquisitions of property, plant and equipment	-0.1	-0.3	-0.4
Change in financial assets	-5.1	-51.7	28.1
Cash flow from investment operations	-394.7	-451.1	-815.1
Change in loans	145.7	755.3	651.9
Dividend paid	-216.8	-168.4	-168.4
Cash flow from financing operations	-71.1	586.9	483.5
Cash flow for the period	-146.8	421.3	186.1
Opening cash and cash equivalents	281.2	94.8	94.8
Exchange rate difference in cash and cash equivalents	1.4	0.4	0.3
Closing cash and cash equivalents	135.8	516.5	281.2

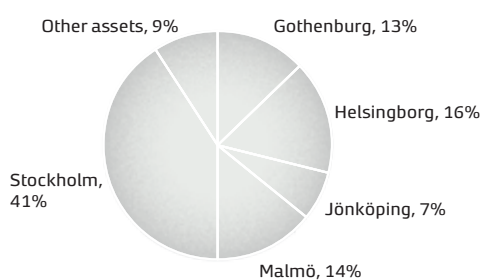
Statement of financial position

SEK M	2019 30 Jun	2018 30 Jun	2018 31 Dec
Assets			
Fixed assets			
Goodwill	503.0	503.0	503.0
Investment properties	15,570.4	13,647.2	14,721.1
Tangible fixed assets	1.2	1.8	1.5
Lease assets	357.1	-	-
Financial non-current assets	265.4	303.5	227.0
Deferred tax assets	112.6	129.8	96.9
Current assets			
Current receivables	131.1	144.1	154.2
Cash and cash equivalents	135.8	516.5	281.2
Total assets	17,076.6	15,245.9	15,984.9
Equity and liabilities			
Equity attributable to Parent Company shareholders	5,606.1	4,807.1	5,308.8
Non-current liabilities			
Interest-bearing liabilities	4,543.3	6,497.8	6,170.2
Deferred tax liability	1,416.4	1,227.3	1,271.6
Lease liability	354.5	-	-
Other non-current liabilities	571.0	530.0	491.6
Current liabilities			
Interest-bearing liabilities	4,176.6	1,790.8	2,346.6
Other current liabilities	408.7	392.9	396.1
Total equity and liabilities	17,076.6	15,245.9	15,984.9

Cash flow for the period before changes in working capital improved by SEK 60.2 million to SEK 309.6 million (249.4). Cash flow has been impacted by significant investments in existing investment properties. Catena has predominantly financed its investments during the period through its own cash balances.

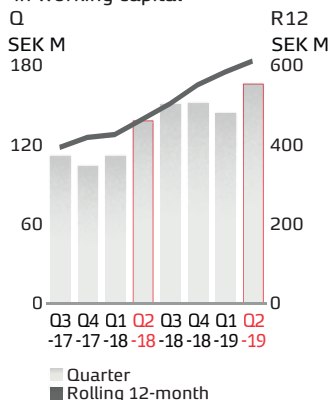
At the end of the period, cash and cash equivalents amounted to SEK 135.8 million (516.5).

Distribution of assets

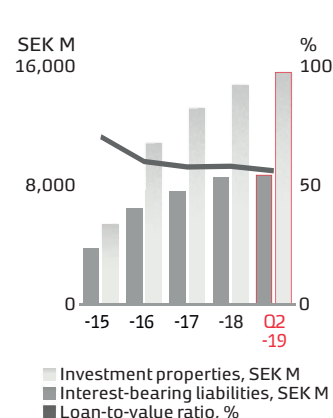


Total assets, SEK 17,076.6 million

Cash flow before change in working capital



Loan-to-value ratio



Change in equity

SEK M	2019 30 Jun	2018 30 Jun	2018 31 Dec
Opening balance	5,308.8	4,596.5	4,596.5
Dividend paid to shareholders	-216.8	-168.4	-168.4
New share issue ¹⁾	-	-	50.0
Comprehensive income for the period/year attributable to Parent Company shareholders	514.1	379.0	830.7
Closing balance	5,606.1	4,807.1	5,308.8
Attributable to:			
Parent Company's shareholders	5,606.1	4,807.1	5,308.8

¹⁾ A new share issue of SEK 50 million (2018) has been used to settle liabilities from acquisitions.

Interest-bearing liabilities

At the end of the period, Interest-bearing liabilities amounted to SEK 8,719.9 million (8,288.6) of which the share of traditional bank loans amounted to 73 percent, covered bonds to 16 percent and commercial papers to 11 percent. The credit framework amounted to SEK 8,819.9 million.

During the period, Catena has renegotiated financing agreements with a total framework of approximately SEK 1,452.7 million. The term to interest maturity amounted to 2.7 years.

Debt maturity

Year	Contract volume, SEK M	Utilised, SEK M	Unutilised, SEK M
2019	847.9	747.9	100.0
2020	3,982.0	3,982.0	-
2021	2,948.4	2,948.4	-
2022	982.7	982.7	-
>2031	58.9	58.9	-
Total	8,819.9	8,719.9	100.0

Interest expenses and sensitivity

On the balance sheet date, the average interest rate, including the cost of derivatives and unutilised lines of credit, was 2.5 percent (2.8).

If the market interest rate defined as Stibor 3-month were to increase by one percentage point, all else being equal, the interest expenses would increase by around SEK 21 million. If the market interest rate were to instead decrease by one percentage point, the interest expenses would increase by around SEK 33 million.

An explanation of the effect of the sensitivity is in part that the majority of the Group's loans are encumbered by interest-rate floors that limit the interest changes on the downside by the market rate not being able to be negative at the same time that the cost of the outstanding and purchased interest derivatives can increase by negative market interest rates.

Bond financing

Catena's outstanding covered (through property mortgages) bond financing amounts to SEK 1,386 million and is fully financed through Svensk FastighetsFinansiering AB (SFF).

SFF issues bonds on the Swedish capital market through a covered MTN programme of SEK 12,000 million. SFF is equally owned by Catena, Diös, Fabege, Platzer and Wihlborgs.

Commercial paper financing

Catena has a commercial paper programme with a framework of SEK 2 billion. Papers within the programme have a maturity of at most 364 days. The programme is arranged by Swedbank AB, which also functions as an issuing institute together with Danske Bank. To manage the refinancing risk, the programme has secured backup facilities (through property mortgages). The current backup facility matures in May 2021 with a framework amount of SEK 1 billion.

On the balance sheet date, the outstanding volume was nominally SEK 1,000 million.

Derivative instruments

Financial instruments consist of derivative instruments in Category 2 of the valuation hierarchy. The derivatives are marked to market, meaning that the carrying amount agrees with the fair value. The change is recognised in the income statement. The carrying amount was a negative SEK 480.8 million (449.8). The change in value of the derivatives does not affect cash flow and, on reaching maturity, the value of derivatives is always zero.

The nominal value of the derivatives is equivalent to 52 percent of consolidated interest-bearing liabilities.

Interest hedges through interest-rate swaps

Start year	End year	Interest rate, %	SEK M
2011	2021	2.9	500.0
2012	2021	2.7	191.7
2013	2021	2.8	22.0
2013	2021	2.8	45.5
2012	2022	2.3	500.0
2014	2023	1.7	500.0
2014	2024	1.4	500.0
2017	2025	2.3	561.0
2017	2025	2.3	561.0
2017	2026	2.7	572.0
2017	2026	2.7	572.0
Total		2.3	4,525.2

Fixed interest including derivatives

Year	SEK M	Interest rate, % ¹⁾	Share, %
2019	2,885.8	1.1	33.1
2020	1,151.0	1.0	13.2
2021	759.2	4.9	8.7
2022	658.0	3.2	7.6
2023	500.0	3.2	5.7
2024	500.0	2.9	5.7
2025	1,122.0	3.8	12.9
2026	1,143.9	4.1	13.1
Total	8,719.9	2.5	100.0

¹⁾ Refers to the current average interest rate as per 30 June 2019. The margin is distributed evenly across the fixed-interest period.

The property portfolio

Property portfolio

SEK M	Fair value	Number of properties
Property portfolio at beginning of year	14,721.1	107
Acquisitions*	81.6	3
Investments in existing properties	371.2	
Translation difference	14.0	
Unrealised changes in value	382.5	
Total investment properties	15,570.4	110

* Property value after deduction of deferred tax and with addition of transaction expenses.

Changes in the property portfolio

During the first half of the year, Catena acquired the Vålingen 2 property in Karlstad, the Sockret 7 property in Malmö and the Muttern 6 property in Kungälv at a total value of SEK 81.6 million.

In addition, investments have been made in new construction, remodelling and extensions at existing properties for SEK 371.2 million. At the Sunnanå Logistics Position outside Malmö, Chefs Culinar has now moved into its 7,800 square metre distribution warehouse. Work is also in progress at Sunnanå, on the construction of the so-called multi-tenant warehouse being constructed as two buildings totalling 36,000 square metres, where the first tenants will move in during the summer.

At the Plantehuset 3 property within the Tostarp Logistics Position in Helsingborg, construction continues of a 11,000 square metre logistics warehouse for Nowaste, which includes a high-bay section. At the same time, the planning of PostNord's new 18,300 square metre terminal commenced. Space for further construction remains on Catena's land at the Tostarp Logistics Position and leasing efforts are ongoing.

The Tahe 1:64 property in Jönköping is being adapted to the needs of tenant Procurator and, once the extension is completed, the logistics warehouse and associated offices will have a total area of 35,000 square metres. The tenant is scheduled to move in early next year.

Property valuation

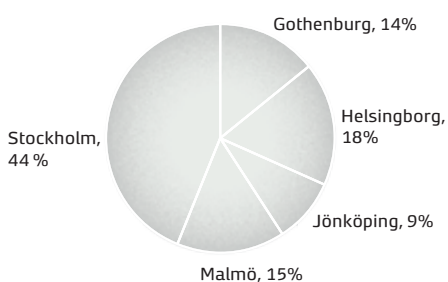
Unrealised changes in value of Catena's properties have arisen as a result of coordination, well-executed projects and good property management and amounted to SEK 382.5 million in the period. This corresponds to 2.5 percent of the value before adjustment.

Each quarter, Catena implements internal valuations of all its investment properties and this is used to determine the fair values recognised in the balance sheet. In the first half of 2019, approximately SEK 5.3 billion of the property portfolio was valued externally.

All of the Group's investment properties are assessed as being at level 3 in the valuation hierarchy. A detailed description of the valuation principles is available on page 23 of Catena's Annual Report for 2018.

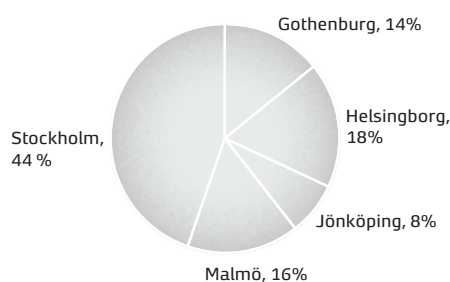
Some leeway is allowed between the value according to the internal valuation and fair value before adjustment of fair value is carried out. The discrepancy should be within a range controlled by a permitted discrepancy from the established direct yield requirement of +/-0.25 percent. Only when the deviation exceeds or falls short of this range is the fair value adjusted. This deviation is accepted since there is always some uncertainty in estimated figures.

Rental value by region



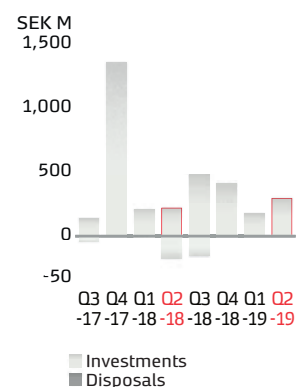
Rental value, SEK 1,257.2 million

Property portfolio by region



Fair value, SEK 15,570.4 million

Investments and disposals



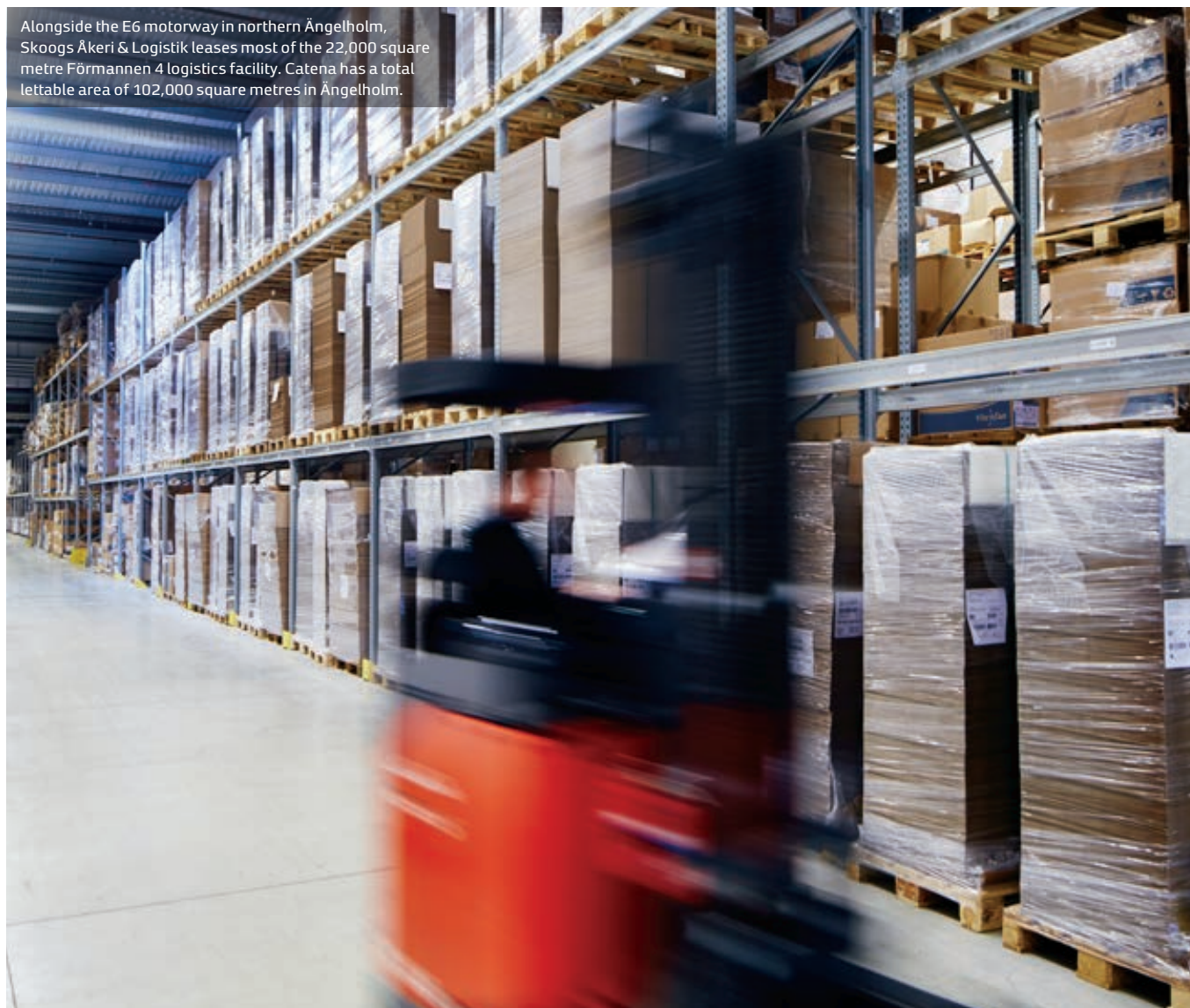
Properties by region

Regions	Number of properties	Lettable area, thousand sq. m.	Fair value, SEK M	Rental value, SEK M	Economic letting ratio, %	Contractual annual rent, SEK M	Surplus ratio, %
Gothenburg	15	231.0	2,220.6	180.5	97	174.3	87
Helsingborg	23	380.7	2,760.6	219.4	95	207.6	75
Jönköping	12	209.6	1,180.4	116.2	91	106.1	61
Malmö	17	230.0	2,457.6	192.7	97	187.6	68
Stockholm	43	764.9	6,951.2	548.4	96	524.4	83
Total	110	1,816.2	15,570.4	1,257.2	95	1,200.0	78

Property acquisitions

Property designation	Transfer date	Region	Municipality	Space, sq. m.	Property value, SEK M	Rental income/year, SEK M
Välängen 2	17 Jan 2019	Stockholm	Karlstad	3,430	20.4	2.1
Sockret 7	1 Apr 2019	Malmö	Malmö	2,707	9.2	0.3
Muttern 6	29 May 2019	Gothenburg	Kungälv	7,800	52.1	0.0
Total				13,937	81.7	2.4

Alongside the E6 motorway in northern Ängelholm, Skoogs Åkeri & Logistik leases most of the 22,000 square metre Förmannen 4 logistics facility. Catena has a total lettable area of 102,000 square metres in Ängelholm.



Property portfolio continued

A selection of current properties

Tostarp Logistics Position, Helsingborg

At the expansive Tostarp Logistics Position at the junction of the E4 and E6 motorways outside Helsingborg, Nowaste's 30,400 square metre warehouse has been in operation through its first winter. The property is environmentally certified and, alongside the tenant, Catena has imposed considerable requirements with regard to energy consumption.

The heat pumps use about 6.7 kWh/m² (normal-year adjusted) compared with the Swedish National Board of Housing, Building and Planning's requirement of 45 kWh/m², demonstrating that Catena's strategy for delivering properties that are sustainable from both environmental and economic perspectives is working well. The image shows the "energy trees" that are an important part of the heat pump system, which is based on energy being extracted from vapour in the outdoor air.



Tahe 1:64, Jönköping

At the Torsvik's industrial area in the southern environs of Jönköping, Catena is adapting and extending a property for tenant Procurator. Construction is expected to continue for the remainder of 2019, after which the tenant will move into a well-adapted logistics facility of some 35,000 square metres in an excellent logistics location along the E4 motorway, close to trunk road 40, midway between Stockholm, Gothenburg and the Copenhagen region.

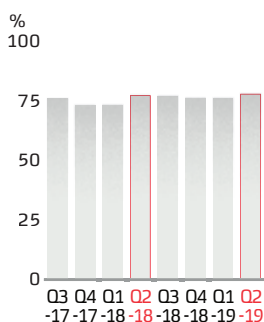


Slätthög 4, Malmö

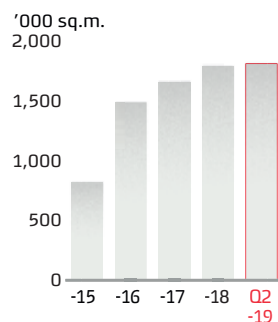
At the Slätthög 4 property in the eastern environs of Malmö, Linde Material Handling leases 2,123 square metres of premises from Catena. The tenant is running short of space and now needs a larger area for its operations. For this reason, Catena is building a 725 square metre extension, which is expected to be ready for occupancy by the end of the year.



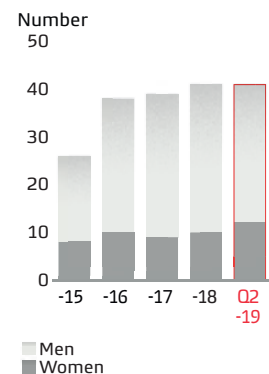
Surplus ratio



Logistics space



Personnel, Group



Current earnings capacity

SEK M	2019 30 Jun	2019 31 March	2018 31 Dec	2018 30 Sep	2018 30 Jun	2018 31 March	2017 31 Dec	2017 30 Sep
Rental income	1,169.6	1,157.7	1,158.0	1,112.8	1,085.7	1,061.9	1,042.6	939.7
Property expenses	-268.2	-265.5	-276.0	-276.3	-269.6	-263.6	-260.6	-234.9
Net operating surplus	901.4	892.2	882.0	836.5	816.2	798.3	782.0	704.8
Central administration	-32.4	-32.4	-32.4	-32.4	-32.4	-32.0	-32.0	-31.2
Interest in profits from associated companies	-5.0	-5.0	-5.0	-10.0	0.0	7.0	8.0	9.0
Net financial items	-216.8	-216.2	-223.9	-232.7	-231.1	-225.6	-230.5	-210.8
Ground rent	-10.5	-10.5	-	-	-	-	-	-
Profit from property management	636.7	628.1	620.7	561.4	552.7	547.7	527.5	471.8
Tax for the period	-136.3	-134.4	-132.8	-123.5	-121.6	-120.5	-116.0	-103.8
Profit for the period	500.4	493.7	487.9	437.9	431.1	427.2	411.5	368.0
Key share data								
Profit for the period/year, SEK per share	13.3	13.1	12.9	11.6	11.5	11.4	11.0	10.3
Number of shares outstanding, millions	37.7	37.7	37.7	37.7	37.4	37.4	37.4	35.7

In the table, Catena presents its earnings capacity on a 12-month basis. As the table is not equivalent to a forecast, but is intended to reflect a normal year, actual outcomes may differ because of decisions that affect the outcome positively as well as negatively in relation to normal years, like unforeseen events. The presented earnings capacity does not include any assessment of changes in rent, vacancy or interest rate. Catena's income statement is also affected by changes in value and changes in the property portfolio as well as changes in the value of derivative instruments. None of

this has been taken into account in the current earnings capacity. The net operating surplus is based, at the balance sheet date, on contracted leases and normalised property costs for the current portfolio. Financial expenses are based on Catena's average interest rate level including hedges for current loan debt less capitalised interest in normal project volume. As of 2019, ground rents are no longer recognised as property expenses, but rather as interest on leased assets. The tax is calculated on a conventional basis according to the tax rate at any given time.

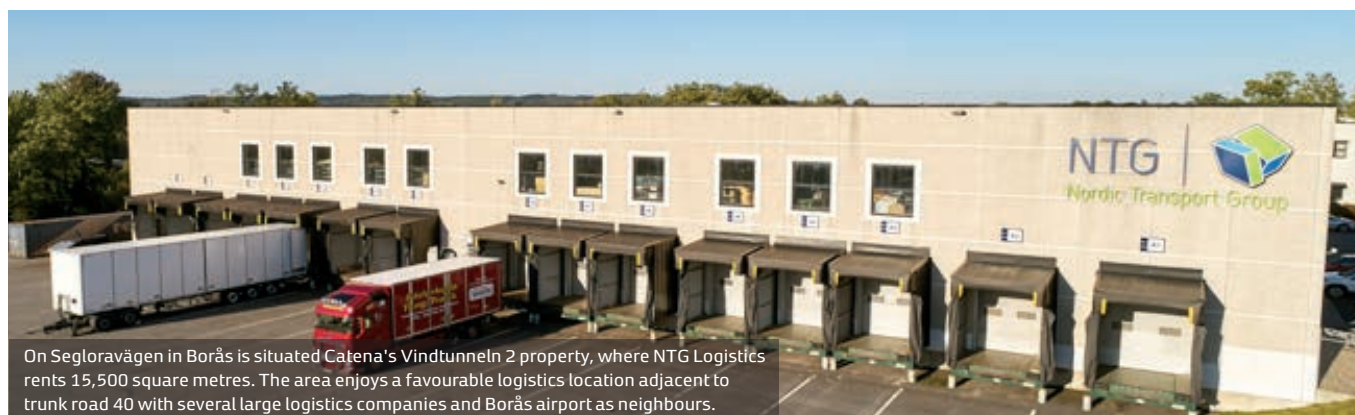
Yield

%	2019 30 Jun	2019 31 March	2018 31 Dec	2018 30 Sep	2018 30 Jun	2018 31 March	2017 31 Dec
EPRA NIY (initial yield)	6.1	6.2	6.2	6.0	6.1	6.2	6.3
EPRA "topped-up" NIY (normalised yield)	6.3	6.5	6.4	6.4	6.4	6.6	6.7

Catena presents a direct yield here in the form of "Net Initial Yield (NIY)" and "topped-up" Net Initial Yield in accordance with EPRA's definitions. Both key figures are calculated on the basis of Investment properties according to the consolidated balance sheet plus addition of ownership of investment properties in joint ventures and after deductions for development land and projects not yet completed. Net initial yield (NIY) is based on contractual annual rent for properties in Catena's own portfolio as well as our share of contractual annual rent in properties owned by joint ventures after deduction of initial discounts. From these

annual rents, deductions are made for expected operating and maintenance expenses, property tax and property administration. The net operating surplus calculated in this way differs from current earnings capacity mainly because contracted annual rent and expenses for projects not yet completed are not included.

In the calculation of EPRA "topped-up" NIY, contracted annual rent is used without deduction of initial discounts. Up to 31 December 2018, ground rents were also included in the property expenses. The change affects the yield by around 0.1 percentage points.



On Segloravägen in Borås is situated Catena's Vindtunneln 2 property, where NTG Logistics rents 15,500 square metres. The area enjoys a favourable logistics location adjacent to trunk road 40 with several large logistics companies and Borås airport as neighbours.

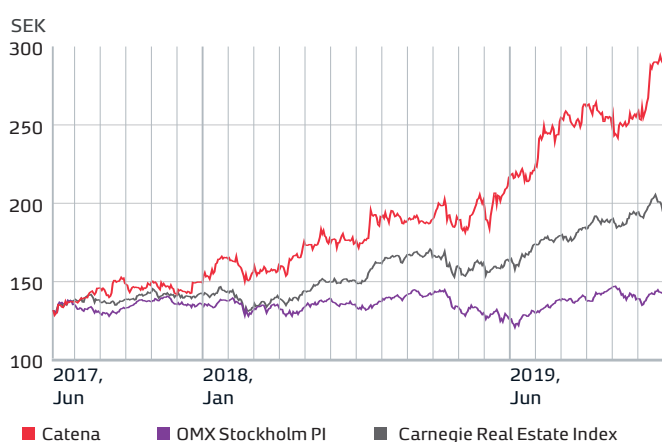
Shares and shareholders

The share

As at the closing date, the Catena share was registered on the Nasdaq Stockholm Nordic Mid Cap list. The closing price on 28 June 2019 was SEK 292.00, against the closing price of SEK 220.50 on 28 December 2018, representing an increase of 32 percent over the period. During the period, the highest price noted for the Catena share was SEK 295.00 and the lowest was SEK 213.00. Since the autumn of 2017, Catena's share has been included in the international property index EPRA.

As at 31 May 2019, Catena had 14,402 shareholders, and the number of shares amounted to 37,698,853.

Share price trend 30 June 2017 – 30 June 2019



Ownership structure as at 31 May 2019, major shareholders

	No. of shares, 000s	Votes, %
Backahill	11,221	29.8
Endicott Sweden AB (CLS Holding plc)	3,971	10.5
Länsförsäkringar fondförvaltning AB	2,621	7.0
Cohen & Steers, Inc.	1,872	5.0
Kilen 134 Strängnäs AB	1,678	4.5
SFU Sverige AB	1,310	3.5
Citi Switz AG AS Agent For Clients	935	2.5
UBS Switzerland AB, W8IMY	829	2.2
SEB Investment Management	773	2.0
BNP Paribas Sec Serv Luxembourg, W8IMY	613	1.6
BNY Mellon SA/NV, W8IMY	490	1.3
CBNY-Norges Bank	472	1.2
Skagen M2 Verdipaprifondet	384	1.0
Other shareholders	10,530	27.9
Total	37,699	100.0

Dividend policy

In the long term, Catena's dividends shall amount to at least 50 percent of profit from property management less standard rate tax.

Financial reporting

25 October 2019 Interim Report, January – September 2019

20 February 2020 Year-end Report 2019

29 April 2020 2020 Annual General Meeting

29 April 2020 Interim Report, January – March 2020

Catena's interim report for the first six months and second quarter of 2019 will be presented online on 8 July at 10.00 a.m. CET – to participate, please see the instructions given on Catena's website. Up-to-date financial information is always available in both Swedish and English on Catena's website.



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phone +46 (0)706 608 350

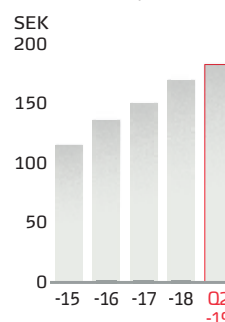


Contact Peter Andersson, Deputy CEO, CFO
peter.andersson@catenafastigheter.se
phone +46 (0)42 449 22 44

At the Bunkagården Mellersta 2 property in Helsingborg, PostNord TPL conducts third-party logistics for its customers at the facility which has more than 28,000 square metres of space. The facility also offers an opportunity for direct reloading to rail.



Net asset value per share, EPRA NAV



Parent Company's financial statements

Parent Company Income Statement

SEK M	2019 Jan-Jun	2018 Jan-Jun	2018 Jan-Dec
Net sales	25.7	23.7	47.6
Cost of services performed	-41.2	-39.1	-78.1
Operating profit/loss	-15.5	-15.4	-30.5
Financial income and expenses			
Other interest income and similar income	118.9	88.5	149.4
Profit from participations in Group companies	-	977.3	1,219.1
Interest expenses and similar expenses	-140.8	-155.4	-248.4
Profit before appropriations and taxes	-37.4	895.0	1,089.6
Appropriations	-	-	-7.0
Tax on profit for the period/year	7.4	12.0	-58.8
Comprehensive income for the period/year	-30.0	907.0	1,023.8

No items in the Parent Company are recognised in other comprehensive income and total comprehensive income is therefore consistent with profit for the period/year.

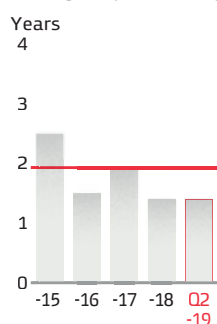
Balance Sheet, Parent Company

SEK M	2019 30 Jun	2018 30 Jun	2018 31 Dec
Assets			
Fixed assets			
Tangible fixed assets	1.2	1.8	1.5
Financial non-current assets	3,236.2	3,238.1	3,236.2
Deferred tax assets	99.4	93.0	84.8
Non-current receivables	23.1	2.7	2.7
Current assets			
Receivables from Group companies	4,070.5	5,524.4	3,900.5
Receivables from associated companies	-	4.0	20.1
Current receivables	14.3	5.8	5.9
Cash and cash equivalents	59.6	464.1	195.7
Total assets	7,504.3	9,333.9	7,447.4
Equity and liabilities			
Shareholders' equity	2,787.6	2,867.6	3,034.4
Untaxed reserves	24.2	17.2	24.2
Non-current liabilities			
Interest-bearing liabilities	998.9	748.4	898.6
Liabilities to associated companies	30.8	-	-
Provisions	1.1	-	-
Other non-current liabilities	481.1	449.9	411.5
Current liabilities			
Liabilities to Group companies	3,128.3	5,196.2	3,025.1
Liabilities to associated companies	-	13.0	1.0
Other current liabilities	52.3	41.6	52.6
Total equity and liabilities	7,504.3	9,333.9	7,447.4

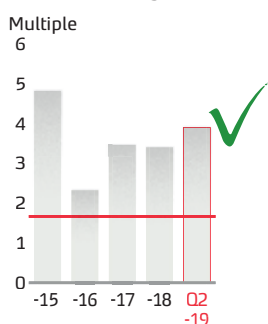


Financial targets, Group operations

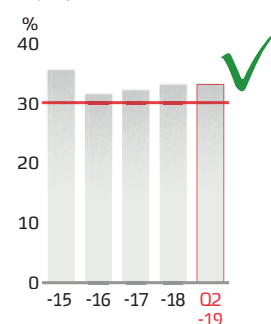
Average capital tied-up



Interest coverage ratio



Equity/assets ratio



Events during the period



The Nomination Committee has submitted a proposal regarding the composition of the Board of Directors to the Annual General Meeting to be held on 25 April 2019. It is proposed that Henry Klotz, Katarina Wallin, Tomas Andersson, Ingela Bendrot and H  l  ne Briggert be re-elected and that Gustaf Hermelin be re-elected as the Chairman of the Board. The new election of Magnus Sw  rdh is also proposed, since Bo Fors  n has declined re-election.

On 26 February 2019, Catena signed a 15-year lease with PostNord and commenced the new construction of a 18,300 square metre terminal for handling of piece goods, packages and letters, at Logistics Position Tostarp located where the E4 and E6 motorways meet outside Helsingborg. The investment amounts to SEK 250 million and the rental value amounts to more than SEK 16 million. PostNord is expected to move into the new premises in summer 2020.

At the end of January, it was decided that Catena would be a new arena sponsor for R  gle BK's home arena, which as of 1 May will change name to Catena Arena. The agreement extends for two years.



At the beginning of April, Catena signed a lease with PostNord and commenced construction of a logistics facility of some 2,000 square metres, including offices, parking and marshalling areas. Construction will take place at Catena's Soth  nan 3 property, adjacent to the Katrineholm logistics centre, a modern node and an excellent location for cargo flows where goods transported by rail and truck can be handled efficiently. The lease extends over 10 years.

At the end of May, Catena acquired the Muttern 6 property in Kung  lv at a value of SEK 52 million. The property comprises a 7,800 square metre logistics building. The property is currently vacant.

In June, Catena signed an agreement with third-party logistics company Speed Logistics and invested a total of SEK 65 million in the Rosersberg 11:81 property north of Stockholm, which is being expanded by 7,500 square metres. Following the investment, which also includes modernising the existing premises, the property will be slightly more than 30,000 square metres in size. The extension is scheduled for completion in the spring of 2020.



DHL leases a 17,000 square metre terminal at the Sunnan   Logistics Position outside Malm  . This logistics position is one of Catena's major landholdings. In the area, Catena holds a total of almost 70,000 square metres that has either been developed or is under construction.



Other

Market outlook

Over time, the market for logistics properties is driven by increased cargo flows and growing retail trade, particularly e-commerce. Demand for Catena's well-situated, purpose-appropriate and environmentally efficient logistics spaces is therefore expected to remain favourable in the second half of 2019.

The availability of modern, strategically located logistics premises, preferably adjacent to container terminals, is limited. For this reason, we expect the letting ratio at our properties to remain high. The availability of developable land with suitable planning permission is also limited within certain geographical areas, providing opportunities for increased rent levels. Accordingly, this provides good opportunities to move forward with new construction at our existing development sites.

Concluded agreement negotiations also indicate stable rent levels in our existing portfolio. In addition, as a result of increased space efficiency, we expect increased rental income per square metre for our newer holdings of larger buildings and newly developed properties.

We believe that the transaction market for efficient, energy-smart and appropriately situated logistics properties remains highly attractive, and we see good opportunities, through acquisitions and property development, to expand the operations over the upcoming years.

The credit market offers substantial liquidity and good access to capital and, with a renewed boost from defensive monetary policies by both the Federal Reserve and the European Central Bank, the market is pricing in low interest rates. The Riksbank (Swedish central bank) is following in the same defensive footsteps, placing negative pressure on the Swedish currency, which has, at the same time, been able to support strong exports.

We are closely monitoring the development of the world's financial markets and are well-prepared regardless of what directions these take. Opportunities for transactions are not generated by upswings alone.

Catena's sustainability activities

Sustainability is one of Catena's four prioritised areas. Our sustainable work focuses on participating in social progress by establishing the conditions for more sustainable logistics, reducing the environmental impact of our properties and being an attractive employer.

In March 2019, Catena strengthened its expertise with a new role of a Sustainability Manager. The Sustainability Manager primarily serves as a support function for the organisation and ensures socially, financially and ecologically sustainable choices in projects and management from an early stage. A major focus in the future is to develop the environmental certifications of our properties, both on new construction and existing buildings. Catena has long worked with many of the criteria touched on by the environmental standards and the focus is now on taking the work to the next level and thereby also developing the conditions for green financing.

Catena serves as the specifier to contractors and suppliers regarding sustainability aspects and by participating in networks and monitoring external trends, the sustainability work is further developed.

Related parties

This year's earnings include minor related-party transactions with Hansan AB and Evidens BLW AB.



Quarterly overview

	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3
Rental income, SEK M	291.0	294.0	285.3	277.9	264.3	263.2	233.4	225.0
Net operating surplus, SEK M	231.9	223.2	217.1	213.9	204.0	192.6	170.3	170.6
Surplus ratio, %	79.7	75.9	76.1	77.0	77.2	73.2	73.0	75.8
Economic letting ratio, %	95.5	95.8	95.9	95.8	95.2	94.6	94.7	93.4
Profit from property management, SEK M	162.0	155.9	148.5	148.6	138.3	135.9	107.1	113.7
Profit for the period, SEK M	261.7	245.8	158.1	294.1	194.6	176.6	103.7	194.8
Return on equity, %	4.7	4.5	3.0	5.9	4.1	3.8	2.3	4.6
Equity ratio, %	32.8	33.5	33.2	33.2	31.5	32.5	32.3	32.9
Share price at end of period, SEK	292.00	257.50	220.50	199.00	174.80	164.80	155.50	146.50
Cash flow before change in working capital per share, SEK	4.40	3.81	4.01	3.99	3.69	2.97	2.89	3.11
Earnings per share, SEK	6.94	6.52	4.19	7.81	5.20	4.72	2.89	4.40
Net asset value per share, EPRA NAV, SEK	182.01	178.50	169.53	164.88	156.40	155.92	149.85	143.73

Key financial figures for the Group

Key figures ^{1,2)}

Definitions

	2019 Jan-Jun	2018 Jan-Jun	Rolling 12-month	2018 Jan-Dec	
Property-related					
Rental income, SEK M	585.0	527.5	1,148.2	1,090.7	Rental income according to Statement of comprehensive income
Net operating surplus, SEK M	455.1	396.6	886.1	827.6	Rental income less operating and maintenance expenses, property tax and property administration (including ground rent deductions in 2018).
Surplus ratio, %	77.8	75.2	77.2	75.9	Net operating surplus as a percentage of income from property.
Rental value, SEK M	1,257.2	1,132.7	1,257.2	1,216.1	Contractual rents on an annual basis plus a supplement for assessed market rents for vacant space.
Economic letting ratio, %	95.5	95.2	95.5	95.9	Contractual annual rents under leases valid at the end of the period/year as a percentage of rental value.
Loan-to-value ratio, %	56.0	60.7	56.0	57.9	Interest-bearing liabilities attributable to the properties as a percentage of the carrying amounts of the properties at the end of the period/year.
Lettable area, thousand sq. m.	1,816.2	1,677.7	1,816.2	1,792.7	Total area available for letting.
Financial					
Profit from property management, SEK M	317.9	274.2	615.0	571.3	Pre-tax profit with reversal of changes in value.
Pre-tax profit, SEK M	642.5	383.1	1,199.5	940.1	Profit before tax in accordance with Statement of comprehensive income.
Profit for the period/year, SEK M	507.5	371.2	959.7	823.4	Profit for the period/year in accordance with Statement of comprehensive income
Total assets, SEK M	17,076.6	15,245.9	17,076.6	15,984.9	
Return on equity, %	9.3	7.9	18.4	16.6	Profit for the period/year as a percentage of average equity.
Return on assets, %	5.0	3.4	9.1	7.6	Pre-tax profit plus financial expenses as a percentage of average total assets.
Interest-coverage ratio, multiple	3.9	3.3	3.7	3.4	Pre-tax profit before reversal of financial expenses and unrealised changes in value in relation to financial expenses.
Average interest rate, %	2.5	2.8	2.5	2.7	Average interest on the loan portfolio with derivatives being taken into account as per the balance sheet date.
Term to interest rate maturity, years	2.7	3.6	2.7	3.0	Average remaining period of fixed interest on the loan portfolio with derivatives being taken into account.
Debt maturity, years	1.4	1.8	1.4	1.4	The average remaining period of debt maturity in the loan portfolio.
Equity ratio, %	32.8	31.5	32.8	33.2	Equity including non-controlling interests as a percentage of total assets total assets.
Equity/assets ratio, excluding goodwill and lease assets, %	34.6	32.6	34.6	34.3	Equity including non-controlling interests as a percentage of total assets less goodwill and lease assets.
Share-related					
Share price at end of period, SEK	292.00	174.80	292.00	220.50	
Cash flow before change in working capital per share, SEK	8.21	6.67	16.21	14.67	
Equity per share, SEK	148.71	128.49	148.71	140.82	Equity attributable to Parent Company shareholders in relation to the number of shares outstanding at the end of the period/year.
Profit from property management per share, SEK	8.43	7.33	16.32	15.21	Profit from property management in relation to the number of shares outstanding at the end of the period/year.
Earning per share, SEK	13.46	9.92	25.46	21.93	Profit for the period/year attributable to the Parent Company's shareholders in relation to the average number of shares outstanding.
Net asset value per share, EPRA NAV, SEK	182.01	156.40	182.01	169.53	Shareholders' equity with reversal of the fair value of interest rate derivatives and deferred taxes in the balance sheet less goodwill associated with the deferred tax, calculated per share.
Number of shares outstanding, millions	37.7	37.4	37.7	37.7	Number of shares on the balance sheet date
P/E ratio	11	10	11	10	Share price at the end of the period/year in relation to earnings per share for the period/year.

¹⁾ For division into IFRS categories, alternative and other key figures, please refer to Catena's Annual Report for 2018, pages 136-137.

²⁾ On remaining properties at the end of the period.

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 policies as the Group, with due consideration of the recommendations of the Swedish Council for Financial Reporting: RFR 2, Accounting for Legal Entities.

This interim report was drawn up in accordance with IAS 34, Interim Financial Reporting, for the Group and according to the Swedish Annual Accounts Act for the Parent Company. The accounting principles are unchanged compared with the annual accounts for the preceding year. None of the other IFRS or IFRIC interpretations that apply effective from 1 January 2019 are deemed to have any significant impact on the Group, with the exception of IFRS16 "Leases".

On 1 January 2019, a new leasing standard, IFRS16 "Leases", entered into effect that replaces IAS 17 Leases and the related interpretations IFRIC 4, SIC-15 and SIC-27. Implementation of the standard means that leases are reported in the balance sheet, since no distinction is made between operating and finance leases. According to the new standard, an asset (the right to use a leased asset) shall be reported, as well as a financial liability to pay lease payments. Short-term contracts and contracts of smaller value are excluded. The accounts of the lessor will be essentially unchanged. The standard is deemed to have no significant effects for Catena as a lessor. In the Group's capacity as a lessee, the impact mainly consists of the present value of ground rents and leased cars being booked up in the balance sheet. Leaseholds have been discounted by interest on ground

rent of 3 percent and cars by their implicit contract interest. Other identified leases for office machines and software, for example, are deemed to be of lesser value. With regard to leasehold agreements, Catena recognises a leasing asset of SEK 349.2 million and a leasing liability of SEK 346.6 million at the transition to IFRS 16 as of 1 January 2019 and SEK 3.5 million for cars. The transition, in which Catena applied the forward-looking method, does not have any effect on equity and, in accordance with the standard, the comparison year has not been restated. The income statement was affected by the ground rents being reclassified from Property expenses to Financial expenses. For the first half of 2019, the ground rents amounted to SEK 5.2 million.

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 financial risks are described in Note 19 on pages 77-79 of the 2018 Annual Report and in Corporate Governance Report on pages 111-115. No essential changes have occurred since its publication.

The Board of Directors and the Chief Executive Officer certify that this report gives a true and fair view of the financial position and results and describes significant risks and uncertainties that the Group and the companies included in the Group face.

Helsingborg, 5 July 2019
Catena AB

Board of Directors

Auditor's review report regarding the summary interim financial information (interim report) prepared in accordance with IAS 34 and Chapter 9 of the Annual Accounts Act*Introduction*

We have performed a limited review of the interim financial information (interim report) of Catena AB as per 30 June 2019 and the six-month period ended on that date. The Board and the CEO are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Focus and scope of the review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Company's Elected Auditor. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical review and undertaking other review procedures. A review has a different focus and is substantially less in scope than the focus and scope of an audit in accordance with

the International Standards on Auditing and generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain a level of assurance such that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report has not, in all material respects, been prepared for the Group in accordance with IAS 34 and the Annual Accounts Act and for the Parent Company in accordance with the Annual Accounts Act.

Malmö, 5 July 2019
PricewaterhouseCoopers AB
Mats Åkerlund, Authorised Public Accountant

Catena in brief

Catena's mission is to develop, own and efficiently manage, through cooperation and in a sustainable manner, strategically located logistics facilities that supply Scandinavia's metropolitan regions and have conditions to generate stable growing cash flows and good value grow.

Vision

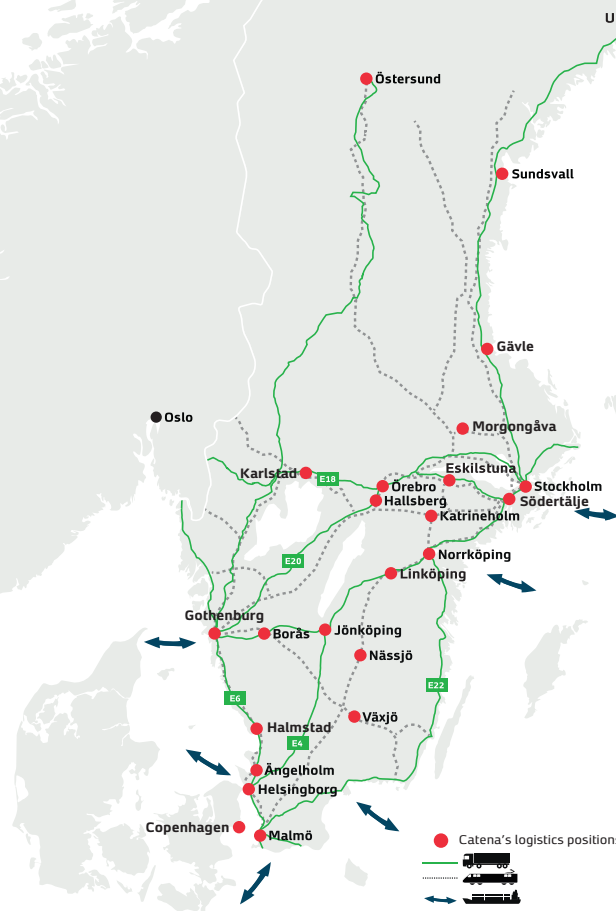
Catena's good insights regarding future freight and cargo flows are absolutely crucial to the ability to offer the right locations, the right premises and the right service. By generating strong cash flows, development takes place towards the vision – *Catena links Scandinavia's cargo flows.*

Business concept

Catena offers logistics facilities for today's and tomorrow's cargo flows along the most important transport routes and at the most important hubs. Efficient logistics and transports are an important success factor that provides both financial and environmental advantages. In close cooperation with the customers and with good knowledge of the market, Catena develops its part of the chain. The business concept clarifies the mission – *Catena shall sustainably and through partnerships develop efficient logistics facilities that serve the metropolitan regions of Scandinavia.*

Customer offering

Logistics solutions is a collective term for properties whose purpose is the collection, storage and distribution of goods. The goods, volumes, timing and, above all, the task impose different requirements on the facility.



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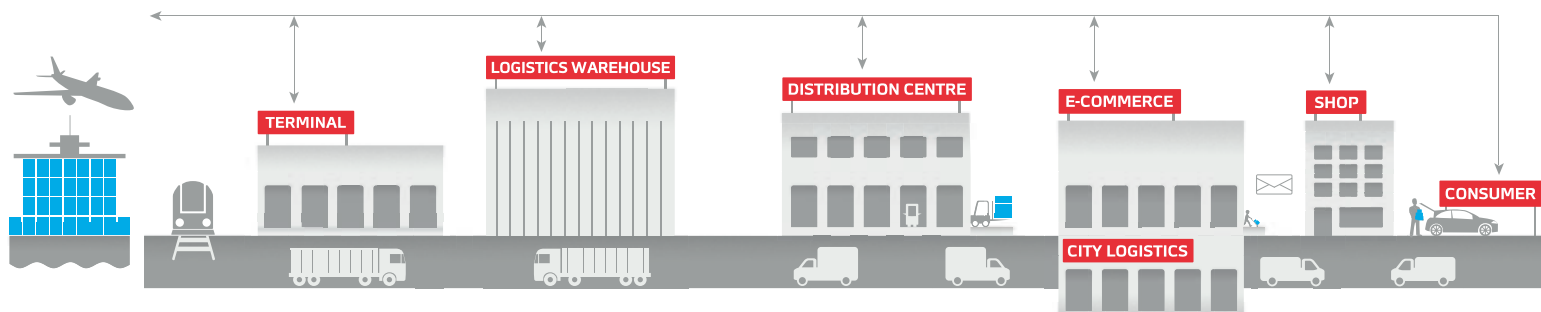
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CATENA

Catena is a listed property company that through cooperation and in a sustainable manner develops, owns and manages efficient logistics facilities. The strategically located properties supply Scandinavia's metropolitan regions and are suitable for both today's and tomorrow's cargo flows. The overriding objective is to show strong cash flow, enabling stable development of operations and providing a good long-term total return. The Catena share is traded on NASDAQ Stockholm, Mid Cap.



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