



# CATENA Q3

## Interim report January–September 2015

- Rental income rose by 9 percent to SEK 345.1 million (317.0).
- The operating surplus increased by 10 percent to SEK 264.9 million (241.9).
- Profit from property management grew by 24 percent to SEK 192.1 million (155.0).
- Profit for the period rose to SEK 426.2 million (310.1), equivalent to earnings per share of SEK 16.63 (12.12), which includes SEK 2.4 million (-91.0) in changes in the value of derivatives and SEK 231.1 million (333.4) in changes in property values.

## Significant events in the third quarter

- Acquisition of the properties Tahe 1:64 and Barnarps-Kråkebo 1:56 in Jönköping, Rebbelberga 26:37 and Norra Varalöv 31:11 in Ängelholm and Vindtunneln 2 in Borås.

## Significant events after the end of the period

- Catena has acquired Klöverns shares in Tribona and submitted a public offer to Tribona's shareholders.



## Catena strengthens its position in the Gothenburg Region

In the third quarter, Catena acquired three logistics properties in the Gothenburg Region, which also includes logistics-intensive towns and cities such as Borås, Jönköping and Nässjö, all of which have thriving business communities. These properties have a combined area of around 50,000 square metres of logistics warehouses, and all of them are strategically located and well suited to Catena's portfolio. There are also significant opportunities to extend the properties. This gives the company the chance to offer new customers modern logistics space for both e-commerce and other logistics operations.

In addition to our strengthened position and expansion opportunities, the acquisitions also contribute positive cash flow.

In Borås, close to highway 40 and Landvetter airport, Catena acquired Vindtunneln 2 at a property value of SEK 80 million. The property has just over 16,000 square metres of logistics warehouse space, which is in good condition and is adjacent to one of the company's existing properties. An existing lease that expires in December 2015 has essentially been replaced by a new five-year agreement with a new stable tenant.

At Torsvik industrial estate in Jönköping, next to the E4 motorway, Catena acquired the following properties for a total value of SEK 95 million: Tahe 1:64, with logistics

warehouse space of just over 29,000 square metres leased on three contracts that expire in August 2017 plus development rights of 17,400 square metres, and Barnarps-Kråkebo 1:56, a 21,000 square-metre plot with a modern, streamlined logistics warehouse of 4,000 square metres leased up until June 2025. The acquisition brings with it a new and interesting tenant, who is focusing on automated e-commerce logistics.

The cover shows the interior of the modern logistics warehouse Barnarps-Kråkebo 1:56 in Jönköping.



Tahe 1:64, Jönköping



Vindtunneln 2, Borås



Barnarps-Kråkebo 1:56, Jönköping

## The Group in figures

	2015 Jul-Sep	2014 Jul-Sep	2015 Jan-Sep	2014 Jan-Sep	2014 Jan-Dec
Rental income, SEK M	117.5	105.4	345.1	317.0	431.3
Net operating surplus, SEK M	91.9	81.5	264.9	241.9	325.7
Profit from property management, SEK M	78.5	52.9	192.1	155.0	204.9
Profit for the period, SEK M	52.3	263.3	426.2	310.1	344.2
Earnings per share, SEK	2.0	10.3	16.6	12.1	13.5
Surplus ratio, %	78.2	77.3	76.8	76.3	75.5
Equity ratio, %	38.0	32.3	38.0	32.3	32.4
Letting ratio, %	96.8	93.9	96.8	93.9	95.8

## We're doubling operations

Once again we are able to report a healthy quarter and furthermore a significant improvement in earnings from property management for the first nine months, with a 24 percent increase to SEK 192 million. This also applies to cash flow from operating activities. All this is the result of our devoting much time and effort over the past two years to nurturing and developing our existing customer relationships and properties.

In Catena's first two years we have successfully created a property company with excellent cash flow and a robust balance sheet, which has in turn laid the foundations for steady and balanced growth. We have grown both through strategic acquisitions and new builds.

A large portion of our most recent investments has been directed at terminal buildings, strategically located close to the major highways. Terminals are buildings where goods are received and dispatched the same day, involving items that often have a final addressee. Streamlined, and in particular, energy-efficient premises, which is important considering that gates are opening and closing all day long.

Over the past few months we have also launched efficient development initiatives regarding what we call city logistics. For example, taking a container from China to Gothenburg is no problem. Neither is transporting the container onwards within the country to urban areas. It is only when the container is opened and the goods are to be distributed to various destinations, such as warehouses, shops or direct to the consumer, that the number of journeys, and therefore costs, start to escalate. The emergence of e-commerce, with demands for faster distribution direct to the consumer's home, only serves to increase the complexity. We believe that city logistics, i.e. terminal and warehouse locations on the doorstep of our metropolitan regions, will become part of the logistics solutions of the future. It will also result in low emissions vehicles being able to collect and deliver goods in an organised way, thereby minimising the number of journeys.

After the end of the period, we acquired all of Klöver AB's shares, corresponding to almost 30 percent of the share capital, in Tribona AB. At the same time we submitted a public offer to all Tribona's shareholders to acquire all the remaining Tribona shares. A number of major shareholders in Tribona, representing just over 30 percent, have already undertaken to accept the offer in exchange for shares in Catena. This means that we have already secured just over 60 percent of the shares in Tribona. Through the acquisition, one of the conditions of which is a resolution by the AGM on a new share issue, we are consolidating Catena's position and I have no doubt that we will become the leading company within logistics properties. A company with a strong cash flow and solid foundations for continued expansion. This also provides us with excellent opportunities to continue streamlining management and broadening our customer base. Furthermore, we expect increased liquidity in Catena's share, which generates added value for our shareholders.

We have an exciting journey ahead of us. It may not be easy, but all in all I anticipate that Catena will continue to generate stable and balanced growth.

Helsingborg, November 2015  
Gustaf Hermelin, CEO



# Interim report January–September 2015

## Income and profit

### Rental income

Rental income rose by 9 percent to SEK 345.1 million (317.0), mainly due to acquired properties, completed projects and increased net letting.

Income from contracts with terms of more than three years accounted for 60 percent of Catena's contracted annual rent, which entails stable income with no appreciable variation between periods, except when affected by acquisitions and sales. The average remaining lease period is approximately 4.5 years.

### Duration of leases

Duration	Number of contracts	Contracted annual rent, SEK M	Contracted annual rent, %
2015	52	16.9	3
2016	64	57.4	12
2017	56	75.0	15
2018	25	46.3	10
2019	17	78.9	16
2020	18	48.6	10
2021+	26	164.4	34
<b>Total</b>	<b>258</b>	<b>487.5</b>	<b>100</b>

### Property expenses

Property expenses rose by 7 percent to SEK -80.2 million (-75.1), mainly owing to a larger property portfolio. In comparable portfolios, property expenses have risen by SEK 3.4 million, attributable to increased repairs.

### Financial expenses

Financial expenses amounted to SEK -69.9 million (-71.0) during the period. The period was characterised by completed refinancing processes, the restructuring of the credit portfolio and lower market interest rates.

### Earnings

Profit from property management over the year improved by 24 percent to SEK 192.1 million (155.0), mainly due to the effect of acquired properties and income-enhancing investments.

Profit for the period rose by SEK 116.1 million to SEK 426.2 million (310.1) due to changes in property values, and this was mainly attributable to the Haga Norra project properties in Solna, outside Stockholm, which were sold during the year. Profit is also affected by increased values of derivatives, mainly due to long-term market interest rates having increased during the year. The unrealised changes in value are of an accounting nature and do not affect the existing cash flow.

Regions	2015	2014	2015	2014	2014
SEK M	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Jan-Dec
<b>Rental income</b>					
Stockholm	48.4	46.1	145.7	146.4	194.3
Gothenburg	43.1	34.7	119.0	93.2	125.8
Öresund	26.0	19.2	68.6	59.3	85.5
Solna project	-	5.4	11.8	18.1	25.7
<b>Total</b>	<b>117.5</b>	<b>105.4</b>	<b>345.1</b>	<b>317.0</b>	<b>431.3</b>
<b>Operating surplus</b>					
Stockholm	39.3	36.5	115.5	115.9	152.7
Gothenburg	34.4	27.1	91.2	69.1	90.4
Öresund	18.2	12.3	48.6	41.0	59.9
Solna project	-	5.6	9.6	15.9	22.7
<b>Total</b>	<b>91.9</b>	<b>81.5</b>	<b>264.9</b>	<b>241.9</b>	<b>325.7</b>

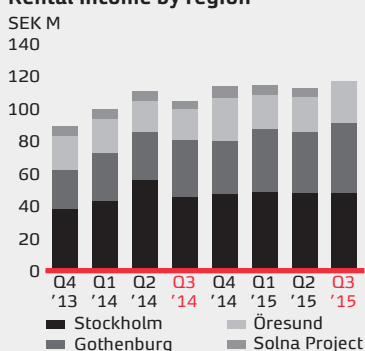
### Related parties

Profit for the period includes minor transactions with related parties Backahill AB and Hansan AB for consulting services.

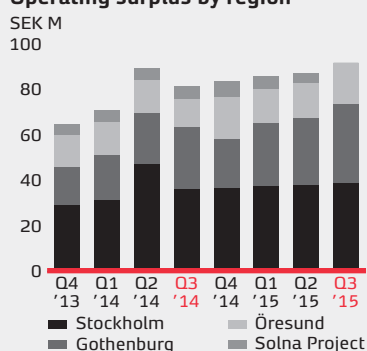
In addition, Catena acquired the Förmannen 4 property in Ängelholm from Backahill AB for a property value of SEK 120 million, and sold the project properties in Solna to Fabege AB, which will initially contribute profit of about SEK 100 million to Catena.

These transactions are considered related party transactions and have therefore been subject to and approved by Catena's Annual General Meeting and Extraordinary General Meeting.

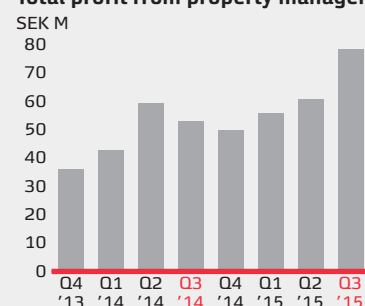
Rental income by region



Operating surplus by region



Total profit from property management

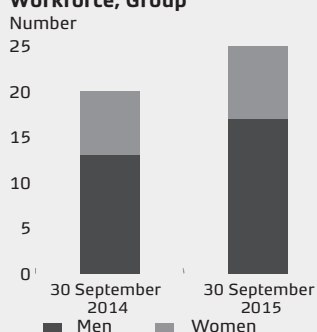




## Statement of comprehensive income

SEK M	2015	2014	2015	2014	Rolling	2014
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	12-month	Jan-Dec
Rental income	117.5	105.4	345.1	317.0	459.4	431.3
Property expenses	-25.6	-23.9	-80.2	-75.1	-110.7	-105.6
<b>Operating surplus</b>	<b>91.9</b>	<b>81.5</b>	<b>264.9</b>	<b>241.9</b>	<b>348.7</b>	<b>325.7</b>
Central administration	-4.1	-5.9	-16.6	-18.2	-27.3	-28.9
Other operating income	21.8	0.1	23.0	0.7	31.9	9.6
Other operating expenses	-13.7	-	-13.7	-	-21.8	-8.1
Interest in profits from associated companies	0.2	0.2	0.2	0.7	0.3	0.8
Financial income	2.8	0.5	4.2	0.9	4.2	0.9
Financial expenses	-20.4	-23.5	-69.9	-71.0	-94.0	-95.1
<b>Profit from property management</b>	<b>78.5</b>	<b>52.9</b>	<b>192.1</b>	<b>155.0</b>	<b>242.0</b>	<b>204.9</b>
Realised changes in value of investment properties	-	-	101.3	-	94.8	-6.5
Unrealised changes in value of investment properties	23.7	311.5	129.8	333.4	188.9	392.5
Changes in values of derivatives	-35.1	-27.0	2.4	-91.0	-57.2	-150.6
<b>Pre-tax profit</b>	<b>67.1</b>	<b>337.4</b>	<b>425.6</b>	<b>397.4</b>	<b>468.5</b>	<b>440.3</b>
Tax paid	-	-	-	-	-1.9	-1.9
Deferred tax	-14.8	-74.1	0.6	-87.3	-6.3	-94.2
<b>Profit for the period</b>	<b>52.3</b>	<b>263.3</b>	<b>426.2</b>	<b>310.1</b>	<b>460.3</b>	<b>344.2</b>
Other comprehensive income for the period	-	-	-	-	-	-
<b>Comprehensive income for the period</b>	<b>52.3</b>	<b>263.3</b>	<b>426.2</b>	<b>310.1</b>	<b>460.3</b>	<b>344.2</b>
Comprehensive income for the period distributed among the Parent Company's shareholders	52.4	263.5	426.3	310.7	460.4	344.8
Comprehensive income for the period distributed among non-controlling interests	-0.1	-0.2	-0.1	-0.6	-0.1	-0.6
<b>Key figures before and after dilution</b>						
Shareholders' equity, SEK per share	90.8	75.9	90.8	75.9	90.8	77.2
Net asset value, SEK per share	108.6	91.9	108.6	91.9	108.6	96.6
Profit for the period, SEK per share	2.0	10.3	16.6	12.1	18.0	13.5
Number of shares outstanding, millions	25.6	25.6	25.6	25.6	25.6	25.6

### Workforce, Group



Vindtunneln 2, Borås

## Financial position

### Cash flow

SEK M	2015 Jan-Sep	2014 Jan-Sep	2014 Jan-Dec
Pre-tax profit	425.6	397.3	440.3
Adjustment for non-cash items	-235.5	-242.9	-235.5
<b>Cash flow before changes in working capital</b>	<b>190.1</b>	<b>154.4</b>	<b>204.8</b>
Change in operating receivables	7.7	10.6	9.2
Change in operating liabilities	18.3	-63.7	-39.8
<b>Cash flow from operating activities</b>	<b>216.1</b>	<b>101.3</b>	<b>174.2</b>
Acquisition of assets via subsidiaries	-360.6	-145.3	-171.3
Divestment of operations	771.9	-	-
Acquisitions of investment properties	-75.1	-115.3	-180.4
Divestment of investment properties	-	15.0	15.0
Acquisitions of property, plant and equipment	-0.3	-0.2	-1.8
Disposals of non-current assets	-	-	0.5
Change in financial assets	-133.5	-1.5	-56.8
<b>Cash flow from investment operations</b>	<b>202.4</b>	<b>-247.3</b>	<b>-394.8</b>
Change in loans	-435.1	258.2	257.7
Dividend paid	-76.9	-51.3	-51.3
<b>Cash flow from financing operations</b>	<b>-512.0</b>	<b>206.9</b>	<b>206.4</b>
<b>Cash flow for the period</b>	<b>-93.5</b>	<b>60.9</b>	<b>-14.2</b>
<b>Opening cash and cash equivalents</b>	<b>199.4</b>	<b>213.6</b>	<b>213.6</b>
<b>Closing cash and cash equivalents</b>	<b>105.9</b>	<b>274.5</b>	<b>199.4</b>

Cash flow for the period before changes in working capital improved by SEK 35.7 million to SEK 190.1 million (154.4).

Cash flow was affected by divestments. In addition to the divestment of the project properties in Solna, which contributed SEK 768.0 million to cash flow, other divestments affected cash flow by SEK 3.9 million.

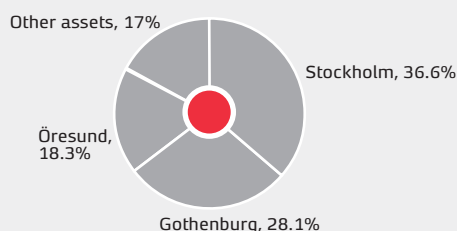
At the end of the period, cash and cash equivalents amounted to SEK 105.9 million (274.5).

### Statement of financial position

SEK M	2015 30 Sep	2014 30 Sep	2014 31 Dec
<b>Assets</b>			
<b>Non-current assets</b>			
Investment properties	5,102.0	5,633.2	5,750.9
Property, plant and equipment	1.6	1.1	1.8
Financial fixed assets	658.0	30.0	30.6
Deferred tax assets	63.2	43.6	63.9
<b>Current assets</b>			
Current receivables	214.0	53.5	89.4
Cash and cash equivalents	105.9	274.5	199.4
<b>Total assets</b>	<b>6,144.7</b>	<b>6,035.9</b>	<b>6,136.0</b>
<b>Equity and liabilities</b>			
Equity attributable to Parent Company shareholders	2,328.1	1,945.8	1,980.0
Equity attributable to non-controlling interests	4.4	4.9	4.8
<b>Non-current liabilities</b>			
Liabilities to credit institutions	2,151.8	2,858.7	2,404.1
Deferred tax liabilities	376.6	369.0	413.7
Other non-current liabilities	154.0	87.2	146.9
<b>Current liabilities</b>			
Liabilities to credit institutions	932.9	599.8	1,053.5
Other current liabilities	196.9	170.5	133.0
<b>Total equity and liabilities</b>	<b>6,144.7</b>	<b>6,035.9</b>	<b>6,136.0</b>

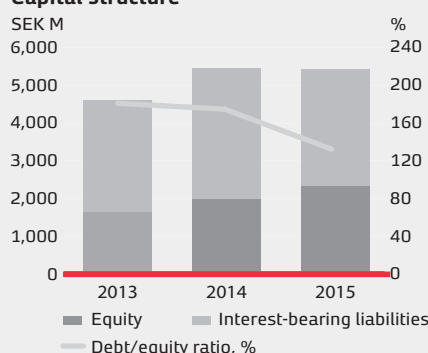
Financial fixed assets as per 30 September 2015 largely relate to the deferred purchase consideration that arose in connection with the sale of the project properties in Solna.

#### Asset distribution



Total assets: SEK 6,144.7 million

#### Capital structure



## Change in Equity

SEK M	2015 30 Sep	2014 30 Sep	2014 31 Dec
<b>Opening balance</b>	<b>1,984.8</b>	<b>1,641.9</b>	<b>1,641.9</b>
Dividend paid to shareholders	-76.9	-51.3	-51.3
Capital contribution	-	50.0	50.0
Acquisitions of minority interest	-1.6	-	-
Comprehensive income for the period attributable to non-controlling interests	-0.1	-0.6	-0.6
Comprehensive income for the period attributable to Parent Company shareholders	426.3	310.7	344.8
<b>Closing balance</b>	<b>2,332.5</b>	<b>1,950.7</b>	<b>1,984.8</b>
Attributable to:			
Parent Company shareholders	2,328.1	1,945.8	1,980.0
Non-controlling interests	4.4	4.9	4.8

## Liabilities to credit institutions

Liabilities to credit institutions amounted to SEK 3,084.7 million (3,458.5) and the loan framework amounted to SEK 3,378.4 million on 30 September, 2015.

Fixed interest, year	SEK M	Interest rate, % <sup>1)</sup>	Participation, %
2015	941.6	1.6	30.5
2016	112.0	1.4	3.7
2017	31.1	1.7	1.0
2021	500.0	4.2	16.2
2022	500.0	3.6	16.2
2023	500.0	3.0	16.2
2024	500.0	2.7	16.2
<b>Total</b>	<b>3,084.7</b>	<b>2.7</b>	<b>100.0</b>

<sup>1)</sup> Refers to the current average interest rate as per 30 September 2015. Interest rates change in pace with the changes in the general interest rate but are limited by interest-rate caps.

Capital tied up, years	Contract volume, SEK M	Utilised, SEK M	Unutilised, SEK M
2015	50.0	-	50.0
2016	985.1	921.8	63.3
2017	2,062.3	1,881.9	180.4
>2018	281.0	281.0	-
<b>Total</b>	<b>3,378.4</b>	<b>3,084.7</b>	<b>293.7</b>

## 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 SEK 143.8 million (86.5). The change in the 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 65 percent of consolidated liabilities to credit institutions.

## Interest rate hedges through interest-rate swaps

Start year	End year	Interest rate, %	SEK M
2011	2021	2.9	500.0
2012	2022	2.3	500.0
2014	2023	1.7	500.0
2014	2024	1.4	500.0
<b>Total</b>			<b>2,000.0</b>



Rebbelberga 26:37, Ängelholm

# The property portfolio

## Property portfolio by region

Regions	Number of properties	Lettable area, thousand sq. m.	Fair value, SEK M	Rental value, SEK M	Economic letting ratio, %	Contracted annual rent, SEK M	Surplus ratio, %
Stockholm	20	309.8	2,249.9	210.9	95	200.8	79
Gothenburg	15	285.1	1,727.7	185.1	99	182.7	77
Öresund	17	205.4	1,124.4	107.4	97	104.0	71
<b>Total</b>	<b>52</b>	<b>800.3</b>	<b>5,102.0</b>	<b>503.4</b>	<b>97</b>	<b>487.5</b>	<b>77</b>

## Changes in property stock

During the period, investments in existing properties amounted to SEK 75.1 million (115.3), of which the majority relates to investments in the Barnarps-Kråkebo 1:44 property in Jönköping, Sothönan 3 in Katrineholm and Dikartorp 3:12 in Järfälla.

Sales and acquisitions of companies and properties during the year up until the end of the accounting period are listed in the table below.

In addition, for a purchase consideration of SEK 6 million, Catena has acquired the Municipality of Katrineholm's 49 percent holding in the jointly owned company, Logistikposition Katrineholm AB, which owns the properties Sothönan 3 and 19 in Katrineholm. An agreement has also been signed to acquire land through a reallocation

between Logistikposition Katrineholm AB and the Municipality of Katrineholm. The company will acquire 75,000 square metres of land with title located adjacent to the existing properties Sothönan 3 and 19.

The acquisition of Norra Varalöv 31:11 concerns 60 percent of the company that owns a development area with an ongoing project in Ängelholm.

Catena has also signed an agreement to acquire a further three properties with a transfer date in the fourth quarter. The acquisitions relate to two properties in Ängelholm, Rebbelberga 26:38 and Norra Varalöv 31:5, and one property in Växjö, Postiljonen 1. An agreement has also been signed after the end of the period on the sale of the Släggan 1 property in Ljungby.

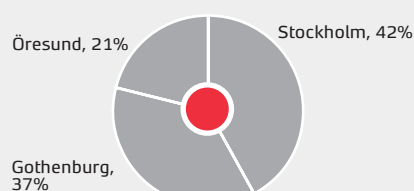
## Property divestments

Property designation	Transfer date	Region	Municipality	Space, sq. m.	Property value, SEK M	Profit, SEK M
Storheden 1:75	1 Apr 2015	Stockholm	Luleå	1,450	7.0	0.8
Stora Frösunda 2 & Hagalund 2:2	23 Jun 2015	Projects	Solna	40,723	1,450.0	100.5
<b>Total</b>				<b>42,173</b>	<b>1,457.0</b>	<b>101.3</b>

## Property acquisitions

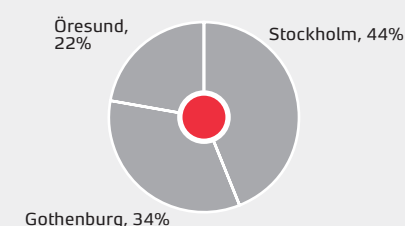
Property designation	Transfer date	Region	Municipality	Space, sq. m.	Property value, SEK M	Rental income per year, SEK M
Förmannen 4	5 May 2015	Öresund	Ängelholm	22,241	120.3	11.9
Misteln 1	24 Jun 2015	Öresund	Åhus	1,900	20.0	1.5
Tahe 1:64	1 Jul 2015	Gothenburg	Jönköping	29,209	60.0	14.9
Rebbelberga 26:37	6 Jul 2015	Öresund	Ängelholm	15,449	115.0	9.1
Norra Varalöv 31:11	6 Jul 2015	Öresund	Ängelholm	Projects	18.6	-
Barnarps-Kråkebo 1:56	1 Sep 2015	Gothenburg	Jönköping	4,030	35.0	2.7
Vindtunneln 2	1 Sep 2015	Gothenburg	Borås	16,391	84.0	9.2
<b>Total</b>				<b>89,220</b>	<b>452.9</b>	<b>49.3</b>

### Rental value by region



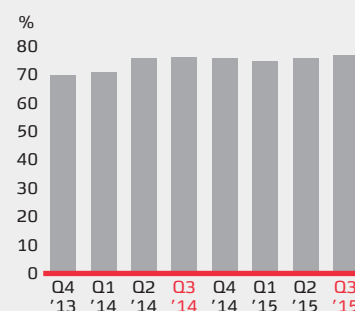
Rental value: SEK 503.4 million

### Property stock by region



Real value: SEK 5,102.0 million

### Surplus ratio





## Property portfolio

SEK M	Carrying amount	Number of properties
Property portfolio at beginning of year	5,750.9	47
Acquisitions	452.9	7
Investments in existing properties	75.1	
Sales	-1,306.7	-2
Unrealised changes in value	129.8	
<b>Total investment properties</b>	<b>5,102.0</b>	<b>52</b>

## Property valuation

The unrealised value changes in Catena's properties during the period amounted to SEK 129.8 million (333.4), as an effect of well implemented projects and good property management.

Each quarter, Catena performs internal valuations of all of its investment properties. These internal valuations then form the basis of the fair values disclosed in the balance sheet. To verify the internal valuations, external valuations of a selection of our properties are also carried out. External valuations of some SEK 2.1 billion of the property stock were implemented during the second quarter of 2015.

All 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 in Catena's annual report for 2014.

A certain discrepancy is permitted between the internal valuation and the fair value before the fair value is adjusted. The deviation must lie within a range governed by the permitted deviation,  $\pm 0.25$  percent, from the set yield requirement. Only when the deviation exceeds or falls short of this range is the real value adjusted. This discrepancy is accepted since there is always an element of uncertainty in the estimated value.

## Other

### Market outlook

Over time, the market for logistics properties is driven by increased goods flows and a growing retail trade, particularly e-commerce. Accordingly, demand for Catena's logistics spaces that are well situated, well suited to their purpose and environmentally efficient is expected to remain good in 2015.

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 is limited, providing good opportunities to build new facilities on our existing development land.

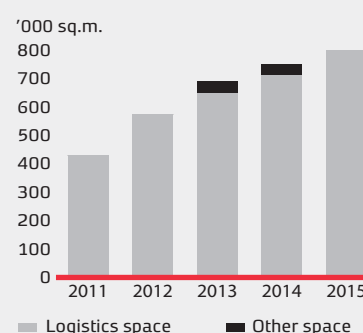
Concluded agreement negotiations also indicate stable rent levels in our existing portfolio. As a result of greater space efficiency, we also expect increased rental income per square metre for our newer portfolio of larger buildings and in newly built properties.

Combined with good access to capital at low interest rates, this means that the transaction market for efficient, energy-smart and suitably located logistics properties remains healthy. Through acquisitions and property development, we perceive good opportunities to expand our operations over the coming years.



Barnarps-Kråkebo 1:44, Jönköping

### Logistics space



## Other significant events during the period

January 2015 saw the launch of Nya Svensk Fastighets-Finansiering AB (Nya SFF) – a newly formed finance company with a covered MTN programme of SEK 8 billion. The company is owned by Catena AB, Diös Fastigheter AB, Fabege AB, Platzer Fastigheter Holding AB and Wihlborgs Fastigheter AB, each with a holding of 20 percent, and commenced financing operations in February 2015.

In April, an issue offering under an MTN programme was subscribed via Nya SFF. Catena is participating with the Terminalen 1 container terminal in Hallsberg and its borrowing takes the form of a five-year bond in the amount of SEK 112 million with a fixed annual interest rate of 1.42 percent.

## Significant events after the end of the period

After the end of the period, Catena acquired all of Klövern AB's 14,377,428 shares in Tribona AB (publ), corresponding to 29.55 percent of the share capital, for a cash sum of SEK 42 per share. Catena has also submitted a public offer to Tribona's other shareholders to acquire all the remaining shares issued by Tribona.

The offer to the shareholders in Tribona is that as payment for their shares in Tribona, they receive newly issued shares in Catena corresponding to a bid value of SEK 45 per share, based on the closing price of Catena's share on 19 October, or as payment for each share in Tribona they receive a cash sum of SEK 42 per share.

The offer is valued at approximately SEK 2,133 million.

One condition of the acquisition is a resolution from the AGM regarding a new issue of shares. An Extraordinary General Meeting will be held on 30 November 2015 and the acceptance period for the offer is 2 December – 23 December 2015.

The new group will have a portfolio of around 83 properties, with a property value of just over SEK 10 billion. The property portfolio will have a geographical spread

around key logistics hubs and metropolitan regions.

For further information, please refer to the offering documentation, which will be published around 1 December.

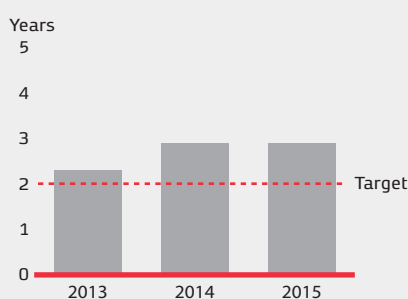
Catena has expanded its senior management team with the addition of Lena Haraldsson. Lena will take up her position on 1 November and will be responsible for the Malmö area and food logistics. The management team will subsequently consist of eight people.



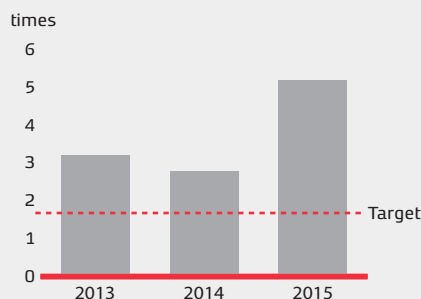
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## Financial targets

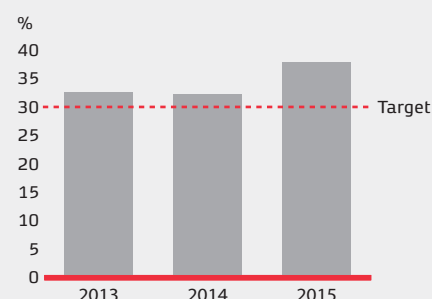
### Average fixed loan term



### Interest coverage ratio



### Equity ratio



## Key figures <sup>1)</sup>

For definitions of key figures, see page 14.

	2015 Jan-Sep	2014 Jan-Sep	2014 Jan-Dec	Rolling 12-month
<b>Financial</b>				
Return on equity, %	19.7	17.3	19.0	21.3
Return on total capital, %	8.1	10.1	12.3	10.1
Interest-coverage ratio, multiple	5.2	3.5	3.1	4.6
Average interest rate, %	2.7	2.9	2.8	2.7
Fixed interest, years	3.6	3.6	3.5	3.6
Capital tied-up, years	2.9	3.2	2.9	2.9
Equity ratio, %	38.0	32.3	32.4	38.0
Profit from property management, SEK M	192.1	155.0	204.9	242.0
Pre-tax profit, SEK M	425.6	397.4	440.3	468.5
Profit for the period, SEK M	426.2	310.1	344.2	460.3
Total assets, SEK M	6,144.7	6,035.9	6,136.0	6,144.7
<b>Share-related</b>				
<b>Prior to and after dilution</b>				
Equity per share, SEK	90.80	75.88	77.22	90.80
Net asset value per share, SEK	108.6	91.9	96.6	108.6
Comprehensive income per share, SEK	16.63	12.12	13.49	17.95
Profit from property management per share, SEK	7.50	6.04	8.02	9.44
Number of shares outstanding, millions	25.6	25.6	25.6	25.6
P/E ratio	7	8	8	7
<b>Property-related</b>				
Rental income, SEK M	345.1	317.0	431.3	459.4
Net operating surplus, SEK M	264.9	241.9	325.7	348.7
Rental value, SEK M	503.4	480.9	480.1	503.4
Economic letting ratio, %	96.8	93.9	95.8	96.8
Surplus ratio, %	76.8	76.3	75.5	75.9
Loan-to-value ratio, %	60.5	61.4	60.1	60.5
Lettable area, thousand sq. m.	800.3	759.8	753.1	800.3

<sup>1)</sup> On remaining properties at the end of the period.

## Catena shares

On the balance sheet date, Catena's shares were traded on the NASDAQ Stockholm – Nordic Mid Cap list.

The closing price on 30 September 2015 was SEK 120.00, against the opening price of SEK 105.75 on 2 January 2015, representing an increase of 13 percent over the year to date. The highest price noted for Catena's shares during the period was SEK 141.00 and the lowest was SEK 103.00.

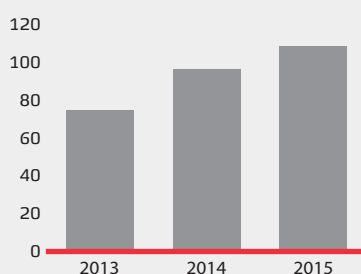
## Ownership structure on 30 September 2015

	No. of shares, 000's	Votes, %
Backahill	11,681	45.6
Endicott Sweden AB (CLS Holding plc)	3,469	13.5
Fabege AB (publ)	2,619	10.2
Länsförsäkringar fondförvaltning	2,219	8.7
SFU Sverige AB	1,847	7.2
Prior & Nilsson Fond- och Kapitalförvaltning AB	376	1.5
Banque Carnegie Luxembourg SA	224	0.9
JP Morgan Europe Limited	185	0.7
Livförsäkringsaktiebolaget Skandia ÖMS	136	0.5
SEB Investment Management	121	0.5
Handelsbanken Fonder AB	121	0.5
Caesar Åfors	100	0.4
CBNY-DFA-INT SML CAP V	92	0.4
Swedbank Robur fonder	89	0.4
Other shareholders	2,363	9.0
<b>Total</b>	<b>25,642</b>	<b>100.0</b>

## Dividend policy

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

## Net worth per share, EPRA NAV



## Share-price trend, 1 January 2014 to 30 September 2015





## Parent Company's financial statements

<b>Income statement</b>	<b>2015</b>	<b>2014</b>	<b>2014</b>
<b>SEK M</b>	<b>Jan-Sep</b>	<b>Jan-Sep</b>	<b>Jan-Dec</b>
Net turnover	22.0	19.9	27.2
Cost of services performed	-35.1	-36.8	-54.7
<b>Operating profit/loss</b>	<b>-13.1</b>	<b>-16.9</b>	<b>-27.5</b>
<b>Financial income and expenses</b>			
Other interest income and similar income	32.1	30.8	41.7
Profit from participations in Group companies	-	-	49.2
Interest expense and similar expenses	-69.2	-138.6	-219.6
<b>Pre-tax profit</b>	<b>-50.2</b>	<b>-124.7</b>	<b>-156.2</b>
Tax on profit for the period	11.6	32.5	22.1
<b>Comprehensive income for the period</b>	<b>-38.6</b>	<b>-92.2</b>	<b>-134.1</b>

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

<b>Balance sheet</b>	<b>2015</b>	<b>2014</b>	<b>2014</b>
<b>SEK M</b>	<b>30 Sep</b>	<b>30 Sep</b>	<b>31 Dec</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1.6	1.1	1.8
Financial fixed assets	1,245.8	1,227.3	1,227.4
Deferred tax assets	38.4	21.3	39.1
<b>Current assets</b>			
Non-current receivables	-	2.7	2.3
Receivables from Group companies	1,340.9	1,429.8	1,373.3
Receivables from associated companies	175.5	-	55.7
Current receivables	17.9	19.1	5.4
Cash and cash equivalents	102.6	274.1	198.7
<b>Total assets</b>	<b>2,922.7</b>	<b>2,975.4</b>	<b>2,903.7</b>
<b>Equity and liabilities</b>			
Equity	1,046.6	1,204.1	1,162.1
<b>Non-current liabilities</b>			
Other non-current liabilities	144.3	87.2	146.9
<b>Current liabilities</b>			
Liabilities to Group companies	1,683.0	1,657.0	1,553.9
Liabilities to associated companies	15.5	13.6	14.2
Other current liabilities	33.3	13.5	26.6
<b>Total equity and liabilities</b>	<b>2,922.7</b>	<b>2,975.4</b>	<b>2,903.7</b>



Sunnanå 12:50, Malmö

## 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 .

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 applied are the same as in the previous year except for the following change: IFRIC 21 addresses the recognition of levies, that is, different types of fees that may be charged to a company by a state, or equivalent body, through legislation and/or regulation, which, for the Group, would have an impact on the reporting of property taxes. The entire property tax liability for 2015 is recognised in the first quarter. None

of the other IFRS or IFRIC interpretations that have not yet entered into force are expected to have a significant impact on the Group.

A reclassification has been made between non-current and current liabilities to credit institutions regarding the comparison period January–September 2014, necessitated by the fact that the contractual maturity of these liabilities was less than 12 months.

### *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 56–59 of the 2014 Annual Report. No essential changes have occurred since its publication.

Solna, November 2015

Catena AB (publ)

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 conducted a review of the interim report for Catena AB (publ) for the period 1 January – 30 September 2015. The Board of Directors and the President 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 financial information based on our review.

#### *Focus and scope of the review*

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Information by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical review and performing 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 assurance 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 assurance as a conclusion 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 been prepared, in all material respects, 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.

Stockholm, 5 November 2015

PricewaterhouseCoopers AB

Lars Wennberg, Authorised Public Accountant

## Definitions

### Return on equity

Net profit for the period/year as a percentage of average equity.

### Return on total capital

Pre-tax profit plus financial expenses as a percentage of average total assets.

### Loan-to-value ratio

Liabilities to credit institutions in relation to the carrying amount for the property at the close of the period.

### Equity per share

Equity attributable to Parent Company shareholders in relation to the number of shares at the end of the period/year.

### Economic letting ratio

Contractual annual rents under leases valid at the end of the period/year end as a percentage of rental value.

### Net asset value per share, EPRA NAV

Equity per share with reversal of interest-rate derivatives and deferred tax in accordance with balance sheet.

### Profit from property management

Pre-tax profit with reversal of changes in value.

### Profit from property management per share

Profit from property management in relation to the average number of shares outstanding.

### Rental value

Contractual rents on an annual basis plus a supplement for assessed market rents for vacant space.

### Average interest rate

Average interest on the loan portfolio with derivatives being taken into account.

### Capital tied-up

The average remaining period of fixed interest in the loan portfolio.

### P/E ratio

Share price divided by rolling earnings per share.

### Earnings per share

Profit for the period/year attributable to the Parent Company's shareholders in relation to the average number of shares outstanding.

### Fixed interest

Average remaining period of fixed interest on the loan portfolio with derivatives being taken into account.

### Interest-coverage ratio

Pre-tax profit before reversal of financial expenses and unrealised changes in value in relation to financial expenses.

### Debt/equity ratio

Interest-bearing liabilities divided by equity.

### Equity ratio

Equity including non-controlling interests as a percentage of total assets.

### Surplus ratio

Operating surplus as a percentage of rental income.



The Catena warehouse



## Catena in brief

Catena is a leading property company in logistics, offering companies and third party operators customised, cost-effective and sustainable logistics facilities in strategic locations adjacent to the country’s cargo flows. In this way, the company generates strong cash flow, enabling stable development of operations and dividends for shareholders.

### Vision

#### *Catena links Scandinavia’s cargo flows*

Cargo flows to and from Scandinavia currently utilise maritime, air, rail and road transport, separately or combined, to collect and store cargo at selected logistics hubs. At these locations, which have been carefully defined by Catena and from which the metropolitan regions of Scandinavia can also easily be reached, we are continuing to develop modern and well-suited logistics facilities.

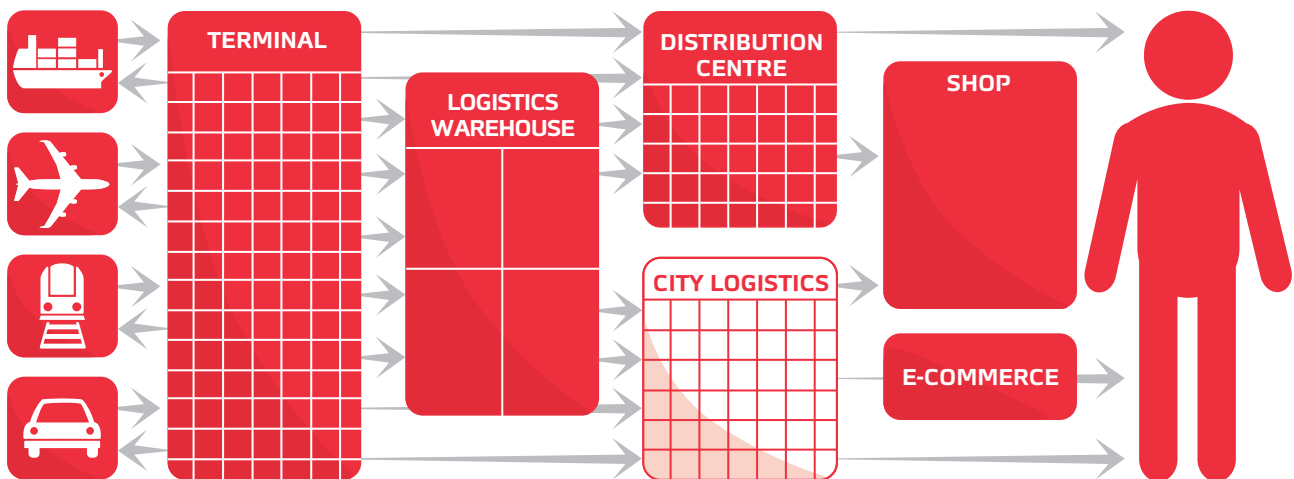
### Business concept

*Catena shall sustainably and through partnerships develop efficient logistics facilities that serve the metropolitan regions of Scandinavia.*

In Sweden, with its substantial distances and considerable dependency on exports, transport efficiency constitutes an important factor in companies’ profitability. At the same time, the challenges faced in terms of climate change impose new, stricter demands on reducing environmental impact. Catena offers premises solutions that provide benefits in terms of both costs and the environment, along superior green corridors.

### Customer offering

Logistics solutions is a collective term for buildings whose purpose is the collection, storage and distribution of goods. The goods, volumes, timing and, above all, the task impose different requirement on logistics premises. Consequently, Catena provides different types of premises solutions.



Plantehuset 1, Helsingborg





## Contact

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## Financial reporting

Year-end report 2015

18 February 2016

Annual General Meeting 2016, in Stockholm, 4.00 pm

27 April 2016



# CATENA

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