



# CATENA Q4

## Year-end report, January – December 2015

- Rental income rose by 8 percent to SEK 464.2 million (431.3).
- The operating surplus rose by 8 percent to SEK 351.3 million (325.7).
- Profit from property management rose by 27 percent to SEK 259.3 million (204.9).
- Net profit for the year rose to SEK 571.5 million (344.2), corresponding to earnings per share of SEK 22.29 (13.49), of which changes in the value of derivatives is included by SEK 30.50 million (negative 150.6) and changes in the value of properties by SEK 300.5 million (386.0).
- The Board proposes a dividend of SEK 3.00 per share (3.00).

## Significant events in the fourth quarter

- Acquisition of the properties Norra Varalöv 31:5 and Rebbelberga 26:38 in Ängelholm, Postiljonen 1 in Växjö and Sockret 4 in Malmö.
- Catena has acquired Klöverns shares in Tribona and submitted a public takeover bid to the shareholders of Tribona.

## Significant events after the end of the year

- Sale of the Högsbo 21:2 property in Gothenburg for a property value of SEK 580 million.
- Catena has acquired 94.5 percent of the shares in Tribona and is conducting a compulsory redemption and delisting of the company.

## The acquisition of Tribona strengthens Catena in areas including food.

In October, Catena acquired slightly less than 30 percent of the share capital in Tribona AB for a cash consideration of SEK 42 per share. In connection with the acquisition, Catena submitted a public takeover bid to the remaining shareholders, who were offered SEK 42 per share or three newly issued shares in Catena for every eight shares held in Tribona AB, corresponding to a share price of SEK 45 on the date of the bid. The transaction was financed with cash, newly issued shares in Catena and new loans raised against existing collateral in Catena. The outcome of the takeover bid has led to Catena now holding 94.5 percent of the shares in Tribona.

### Tribona in brief

With its head office in Malmö, Tribona, like Catena, manages and develops strategically located logistics properties at logistics hubs adjacent to key traffic flows. The company's 37 properties with a total lettable area of more than 700,000 square meters generates rental income of more than SEK 400 million annually. The loan-to-value ratio amounts to about 56 percent. Tribona's property portfolio complements Catena's in terms of both geography and customer structure. The companies also share their view on responsible sustainability work. Customer focus is another common denominator. Among other things, Tribona was able to show significant improvement in the latest CSI survey (Customer Satisfaction Index).

### Position for continued growth

Not only does the acquisition of Tribona make Catena the logistics sector's leading property company but also its largest, with a total of 92 properties valued at approximately SEK 10,000 million and delivering strong cash flow. This gives Catena good opportunities to continue expanding its business. The company's positions are strengthened in the locations that the company has defined as strategically important, such as Stockholm, Gothenburg and Malmö. Catena also gains several important new customers and



Tribona's customers include ICA (as pictured), Netto and other large super-market chains, which are of interest to Catena. Picture: Slammertorp 3:3, Järfälla

customer segments. Particularly in the food sector, which maintains close and frequent contacts with consumers. This is crucial for Catena's development of what is generally referred to as "last mile distribution", an area that is becoming increasingly important in pace with increasing e-commerce. The larger combined property portfolio also increases opportunities for rational management, resulting in both cost and revenue synergies. The increased number of shareholders is also expected to improve conditions for attracting new investors, which can improve the liquidity of Catena's shares, adding value for shareholders.

At the time of writing, Catena has acquired 94.5 percent of the shares in Tribona. A compulsory redemption process will be initiated regarding the remaining shares. In connection with this, Tribona's shares will be de-listed. First and foremost, however, the operations will be integrated and consolidated. Thanks to good cash flow and the rights issue, this is expected to further strengthen the balance sheet.

## The Group in figures

	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Rental income, SEK M	119.1	114.3	464.2	431.3
Net operating surplus, SEK M	88.4	83.8	351.3	325.7
Profit from property management, SEK M	67.2	49.9	259.3	204.9
Profit for the year, SEK M	145.3	34.1	571.5	344.2
Earnings per share, SEK	5.7	1.3	22.3	13.5
Surplus ratio, %	74.2	73.3	75.7	75.5
Equity ratio, %	35.7	32.4	35.7	32.4
Letting ratio, %	95.5	95.8	95.5	95.8

# An eventful year for Catena

**Purposeful efforts in day-to-day management, combined with successful property development, certain large-scale divestments and successful acquisitions enable Catena to present financial statements that are strong in every way.**

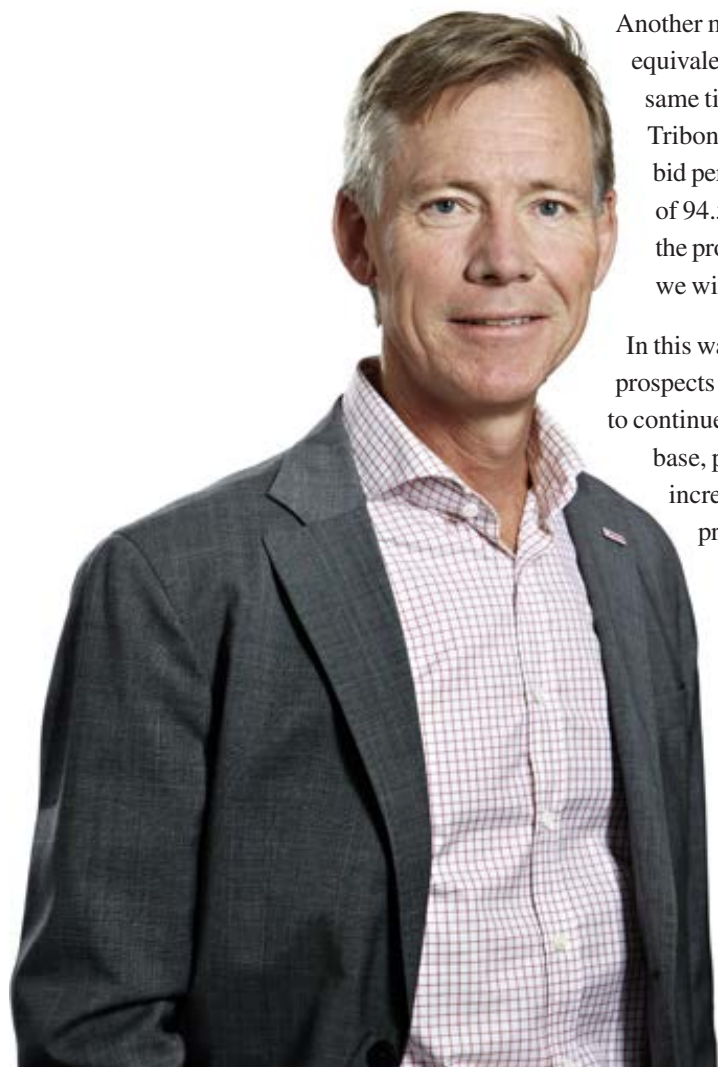
We report significantly improved profit from property management (i.e. cash flow from operating activities) of SEK 259.3 million (204.9). Naturally this is partly because we have been able to benefit from low interest rates, but most of all, it is because we have focused on nurturing and developing our existing client relationships and properties. This is also reflected by our very good occupancy rate, which, at the end of the year, was 96 percent, similar to the preceding year. Further proof of this focus is the continued favourable and stable surplus ratio, which was again 76 percent for 2015.

In addition to the stable trend in ongoing property management over the year, we acquired a number of properties and also divested some of our older ones. The largest was, without doubt, the divestment of the “Haga Norra” development project in Solna, outside Stockholm. The transaction contributed to the year’s favourable profit and generated a cash surplus of close to SEK 1 billion. The agreement in December to sell the Högsbo 21:2 property, Pripps’ former brewery and warehouse in Gothenburg, also generated a good development profit, bringing in approximately SEK 220 million in cash once the sale was completed in January, 2016. Divesting low-yield development properties in this way allows us to acquire and, above all, produce modern new logistics facilities under our own power. In that spirit, over the year, we created, together with DHL, one of Scandinavia’s most modern terminal buildings, strategically located near major routes in Malmö. The tenant began to take occupancy in December 2015. Over the year, in cooperation with certain customers, we developed a new volume terminal for temporary warehousing and for transshipment of containers and trailers. The first of these will be completed in Katrineholm during the first quarter of 2016.

Another major event occurred at the end of the year when we acquired the equivalent of almost 30 percent of the share capital in Tribona AB. At the same time, we submitted a public takeover bid to the other shareholders in Tribona to acquire all of the remaining shares. At the end of the extended bid period on 5 February 2016, it was clear that we controlled the equivalent of 94.5 percent of the shares in Tribona. This means that we can now begin the process of integrating Tribona, with the result that, following the merger, we will have a property portfolio valued at approximately SEK 10 billion.

In this way, we are building a company with a strong cash flow and good prospects for continued expansion. This also affords us excellent opportunities to continue to streamline our property management and broaden the customer base, particularly in the increasingly attractive food sector. Steadily increasing cargo flows generate a need for modern, new logistics properties in the right locations. Focusing on future logistics solutions, strong cash flow and, as I see it, an “unyielding” capacity for implementation, we are well on our way to establishing Catena as the leading property company in the logistics sector in Scandinavia.

Helsingborg, February 2016  
Gustaf Hermelin, CEO



# Year-end report, January – December 2015

## Income and profit

### Rental income

Rental income rose by 8 percent to SEK 464.2 million (431.3), mainly due to acquired properties, completed projects and increased net letting.

Income from contracts with terms of more than three years accounted for approximately 67 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 4.3 years.

### Duration of leases

Duration	Number contracts	Contracted annual rent, SEK M	Contracted annual rent, %
2016	105	39.3	8
2017	66	74.1	15
2018	28	50.6	10
2019	21	99.1	20
2020	19	49.0	10
2021	4	45.9	10
2022+	22	130.6	27
<b>Total</b>	<b>265</b>	<b>488.6</b>	<b>100</b>

### Property expenses

Property expenses rose by 7 percent to SEK 112.9 million (105.6), mainly due to the property portfolio being larger. For comparable portfolios, property expenses have risen by SEK 3.0 million due to increased repairs.

### Financial expenses

Financial expenses amounted to SEK 94.3 million (95.1) over the year. The year was characterized by completed refinancing processes, the restructuring of the credit portfolio and lower market interest rates.

### Earnings

Over the year, profit from property management improved by 27 percent to SEK 259.3 million (204.9), mainly due to

the effect of acquired properties and income-enhancing investments.

Profit for the year rose by SEK 227.3 million to SEK 571.5 million (344.2) 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 unrealized changes in value are of an accounting nature and do not affect existing cash flow.

Regions SEK M	2015	2014	2015	2014
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
<b>Rental income</b>				
Stockholm	49.2	47.9	194.9	194.3
Gothenburg	42.8	32.6	161.8	125.8
Öresund	27.1	26.2	95.7	85.5
Solna project	-	7.6	11.8	25.7
<b>Total</b>	<b>119.1</b>	<b>114.3</b>	<b>464.2</b>	<b>431.3</b>
<b>Operating surplus</b>				
Stockholm	38.7	36.8	153.2	152.7
Gothenburg	30.7	21.3	121.4	90.4
Öresund	19.0	18.9	67.1	59.9
Solna project	-	6.8	9.6	22.7
<b>Total</b>	<b>88.4</b>	<b>83.8</b>	<b>351.3</b>	<b>325.7</b>

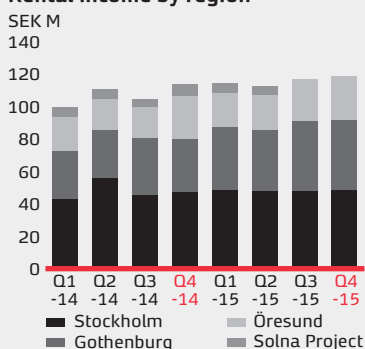
### Related parties

Profit for the year includes smaller related party transactions with AB Elmsäters in Enhörna, Backahill AB and Hansan AB for consulting services.

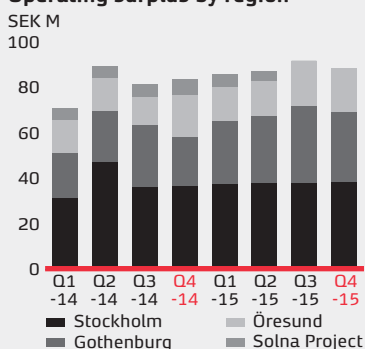
In addition, Catena acquired the Förmannen 4 property Ängelholm for a property value of SEK 120 million from Backahill AB and sold the project properties in Solna to Fabege AB, which will initially contribute profit before tax of about SEK 100 million to Catena.

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.

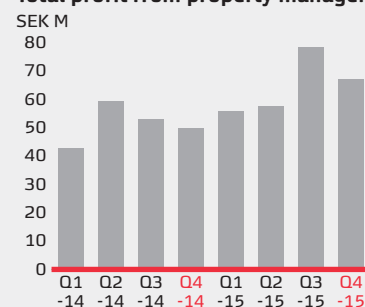
Rental income by region



Operating surplus by region



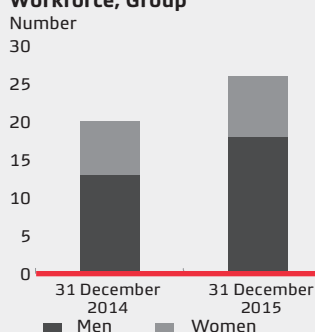
Total profit from property management



## Statement of comprehensive income

SEK M	2015	2014	2015	2014
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Rental income	119.1	114.3	464.2	431.3
Property expenses	-30.7	-30.5	-112.9	-105.6
<b>Operating surplus</b>	<b>88.4</b>	<b>83.8</b>	<b>351.3</b>	<b>325.7</b>
Central administration	-12.1	-10.7	-26.7	-28.9
Other operating income	0.1	8.9	23.1	9.6
Other operating expenses	-	-8.1	-13.7	-8.1
Interest in profits from associated companies	12.2	0.1	12.4	0.8
Financial income	3.0	-	7.2	0.9
Financial expenses	-24.4	-24.1	-94.3	-95.1
<b>Profit from property management</b>	<b>67.2</b>	<b>49.9</b>	<b>259.3</b>	<b>204.9</b>
Realised changes in value of investment properties	0.9	-6.5	102.2	-6.5
Unrealised changes in value of investment properties	68.5	59.1	198.3	392.5
Changes in values of derivatives	28.1	-59.6	30.5	-150.6
<b>Pre-tax profit</b>	<b>164.7</b>	<b>42.9</b>	<b>590.3</b>	<b>440.3</b>
Tax paid	-3.9	-1.9	-3.9	-1.9
Deferred tax	-15.5	-6.9	-14.9	-94.2
<b>Net profit for the period/year</b>	<b>145.3</b>	<b>34.1</b>	<b>571.5</b>	<b>344.2</b>
Other comprehensive income for the year	-	-	-	-
<b>Net profit for the period/year</b>	<b>145.3</b>	<b>34.1</b>	<b>571.5</b>	<b>344.2</b>
Comprehensive income for the period/year distributed among the Parent Company's shareholders	145.2	34.1	571.5	344.8
Comprehensive income for the period/year distributed among non-controlling interests	0.1	-	-	-0.6
<b>Key figures before and after dilution</b>				
Shareholders' equity, SEK per share	96.5	77.2	96.5	77.2
Net worth, EPRA NAV, SEK per share	115.0	96.6	115.0	96.6
Profit for the period/year, SEK per share	5.7	1.3	22.3	13.5
Number of shares outstanding, millions	25.6	25.6	25.6	25.6

### Workforce, Group



Tahe 1:64, Jönköping

## Financial position

### Cash flow

SEK M	2015 Jan-Dec	2014 Jan-Dec
Pre-tax profit	590.3	440.3
Adjustments for non-cash items	-348.8	-235.5
<b>Cash flow before changes in working capital</b>	<b>241.5</b>	<b>204.8</b>
Change in operating receivables	8.2	9.2
Change in operating liabilities	29.5	-39.8
<b>Cash flow from operating activities</b>	<b>279.2</b>	<b>174.2</b>
Acquisition of assets via subsidiaries	-467.0	-171.3
Divestment of operations	771.9	-
Acquisitions of investment properties	-142.6	-180.4
Divestment of investment properties	1.4	15.0
Acquisitions of property, plant and equipment	-0.3	-1.8
Disposals of non-current assets	-	0.5
Change in financial assets	-597.8	-56.8
<b>Cash flow from investing activities</b>	<b>-434.4</b>	<b>-394.8</b>
Change in loans	234.2	257.7
Dividend paid	-76.9	-51.3
<b>Cash flow from financing operations</b>	<b>157.3</b>	<b>206.4</b>
<b>Cash flow for the year</b>	<b>2.1</b>	<b>-14.2</b>
<b>Opening cash and cash equivalents</b>	<b>199.4</b>	<b>213.6</b>
<b>Closing cash and cash equivalents</b>	<b>201.5</b>	<b>199.4</b>

Cash flow for the year before changes in working capital improved by SEK 36.7 million to SEK 241.5 million (204.8).

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 5.3 million.

The year's acquisition of 11 properties affected cash flow negatively. The acquisitions have been financed in part by raising new loans.

At the end of the year, cash and cash equivalents amounted to SEK 201.5 million (199.4).

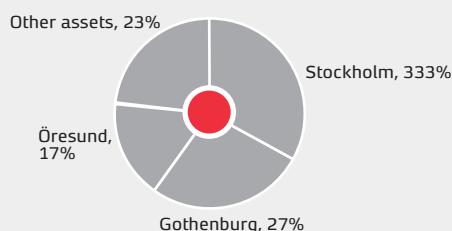
### Statement of financial position

SEK M	2015 31 Dec	2014 31 Dec
<b>Assets</b>		
<b>Non-current assets</b>		
Investment properties	4,781.5	5,750.9
Property, plant and equipment	1.6	1.8
Financial fixed assets	1,282.7	30.6
Deferred tax asset	57.8	63.9
<b>Current assets</b>		
Assets available for sale	559.2	-
Current receivables	63.6	89.4
Cash and cash equivalents	201.5	199.4
<b>Total assets</b>	<b>6,947.9</b>	<b>6,136.0</b>
<b>Equity and liabilities</b>		
Equity attributable to Parent Company shareholders	2,473.4	1,980.0
Equity attributable to non-controlling interests	4.4	4.8
<b>Non-current liabilities</b>		
Liabilities to credit institutions	2,409.4	2,404.1
Deferred tax liabilities	395.7	413.7
Other non-current liabilities	125.9	146.9
<b>Current liabilities</b>		
Liabilities related to assets held for sale	386.3	-
Liabilities to credit institutions	997.5	1,053.5
Other current liabilities	155.3	133.0
<b>Total equity and liabilities</b>	<b>6,947.9</b>	<b>6,136.0</b>

As per 31 December 2015, financial fixed assets pertain largely to the deferred purchase price arising in connection with the sale of the project properties in Solna and the acquisition of some 30 percent of the shares in Tribona, which is reported as an associated company.

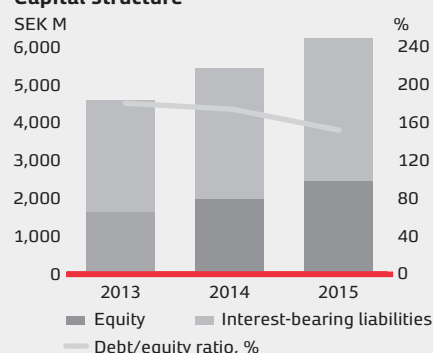
Investment properties total SEK 5,340.3 million, of which SEK 558.8 million relates to the Högsbo 21:2 property in Gothenburg, which, in accordance with IFRS 5 is included under Assets available for sale. An agreement for the sale of Högsbo 21:2 has been signed and the buyers took possession of the property on 15 January 2016.

#### Asset distribution



Total assets: SEK 6,947.9 million

#### Capital structure



## Change in Equity

SEK M	2015 31 Dec	2014 31 Dec
<b>Opening balance</b>	<b>1,984.8</b>	<b>1,641.9</b>
Dividend paid to shareholders	-76.9	-51.3
Capital contribution	–	50.0
Change in minority interest	-1.6	–
Comprehensive income for the year attributable to non-controlling interests	–	-0.6
Comprehensive income for the year attributable to Parent Company shareholders	571.5	344.8
<b>Closing balance</b>	<b>2,477.8</b>	<b>1,984.8</b>
Attributable to:		
Parent Company's shareholders	2,473.4	1,980.0
Non-controlling interests	4.4	4.8

## Liabilities to credit institutions

Liabilities to credit institutions amounted to SEK 3,754.1 million (3,457.6) and the loan framework amounted to SEK 3,900.3 million on 31 December 2015.

Liabilities to credit institutions totalled SEK 3,754.1 million, of which SEK 347.2 million relates to the Högsbo 21:2 property in Gothenburg, which, in accordance with IFRS 5 is included under Liabilities related to assets held for sale. An agreement for the sale of Högsbo 21:2 has been signed and the buyers took possession of the property on 15 January 2016.

Fixed interest, year	SEK M	Interest rate, % <sup>1)</sup>	Participation, %
2016	1,603.7	1.6	42.7
2017	30.7	1.7	0.9
2020	112.0	1.4	3.0
2021	500.0	4.3	13.3
2022	500.0	3.7	13.3
2023	500.0	3.1	13.3
2024	507.7	2.8	13.5
<b>Total</b>	<b>3,754.1</b>	<b>2.6</b>	<b>100.0</b>

<sup>1)</sup> Refers to the current average interest rate as per 31 December 2015. Interest rates change in pace with the changes in the general interest rate but are limited by interest-rate caps.

Capital-interest, year	Contract volume, SEK M	Utilised, SEK M	Unutilised, SEK M
2016	1,035.1	919.3	115.8
2017	2,414.7	2,384.3	30.4
2020	112.0	112.0	–
>2024	338.5	338.5	–
<b>Total</b>	<b>3,900.3</b>	<b>3,754.1</b>	<b>146.2</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 recognized in the income statement. The carrying amount was SEK 115.7 million (146.9). 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 53 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>



Sunnanå 12:50, Burlöv

# 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	2,308.3	211.9	95	201.2	79
Gothenburg	16	291.9	1,864.0	189.2	96	180.6	75
Öresund	19	215.1	1,168.0	110.4	97	106.8	70
<b>Total</b>	<b>55</b>	<b>816.8</b>	<b>5,340.3</b>	<b>511.5</b>	<b>96</b>	<b>488.6</b>	<b>76</b>

## Changes in property portfolio

During the year, investments in existing properties amounted to SEK 131.6 million (180.4), 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 over the year, until the closing date, are listed in the table below. In addition, for a purchase consideration of SEK 6 million, Catena 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.

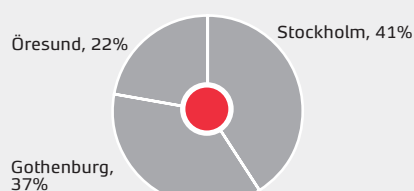
The acquisition of Norra Varalöv 31:11 involves 60 percent of the company that owns a development area with an ongoing project in Ängelholm.

An agreement was signed for the sale of Högsbo 21:2 in Gothenburg for a property value of SEK 580 million. The buyers took possession of the property on 15 January 2016.

## Property acquisition

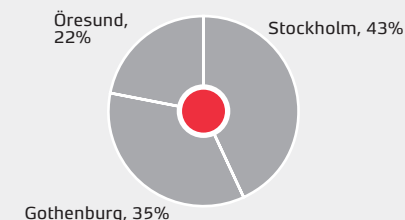
Property designation	Transfer date	Region	Municipality	Space, sq. m.	Property value, SEK M	Annual rental income, SEK M
Förmannen 4	5 May 2015	Öresund	Ängelholm	22,241	120.3	11.9
Misteln 1	24 Jun 2015	Öresund	Åhus	1,900	20.0	1.5
Take 1:64	1 July 2015	Gothenburg	Jönköping	29,209	60.0	14.9
Rebbelberga 26:37	6 July 2015	Öresund	Ängelholm	15,449	115.0	9.1
Norra Varalöv 31:11	6 July 2015	Öresund	Ängelholm	Projects	18.6	0.0
Barnarps-Kråkebo 1:56	1 September 2015	Gothenburg	Jönköping	4,030	35.0	2.7
Vindtunneln 2	1 September 2015	Gothenburg	Borås	16,391	84.0	9.2
Norra Varalöv 31:5	2 October 2015	Öresund	Ängelholm	4,056	22.0	1.8
Rebbelberga 26:38	10 October 2015	Öresund	Ängelholm	975	6.2	0.5
Postiljonen 1	4 November 2015	Gothenburg	Växjö	6,702	79.6	6.4
Sockret 4	2 December 2015	Öresund	Malmö	4,618	11.0	0.0
<b>Total</b>				<b>105,571</b>	<b>571.7</b>	<b>58.0</b>

### Rental value by region



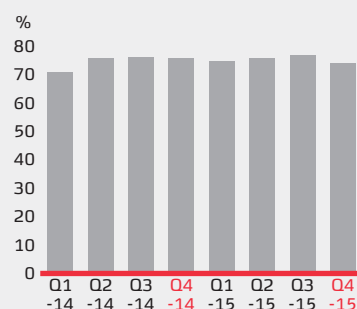
Rental value: SEK 511.5 million

### Property stock by region



Real value: SEK 5,340.3 million

### Surplus ratio





## Property sales

Property designation	Vacated	Region	Municipality	Space, sq. m.	Property value, SEK M	Earnings, SEK M
Storheden 1:75	1 Apr 2015	Stockholm	Luleå	1,450	7.0	0.8
Stora Frösunda 2 and Hagalund 2:2	23 Jun 2015	Projects	Solna	40,723	1,450.0	100.5
Släggan 1	13 October 2015	Öresund	Ljungby	Land	0.5	0.9
<b>Total</b>				<b>42,173</b>	<b>1,458.5</b>	<b>102.2</b>

## Property portfolio

SEK M	Fair value	Number of properties
Property portfolio at beginning of year	5,750.9	47
Acquisitions	566.7	11
Investments in existing properties	131.6	
Sales	-1,307.2	-3
Unrealised changes in value	198.3	
<b>Total investment properties</b>	<b>5,340.3</b>	<b>55</b>

## Property valuation

The unrealised changes in the value of Catena's properties during the year amounted to SEK 198.3 million (392.5), as an effect, among other things, of well implemented projects and good property management.

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. To verify the internal valuations, external valuations of a selection of our properties are also carried out. External valuations of some SEK 3.4 billion of the property portfolio were implemented during 2015.

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 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,  $\pm 0.25\%$ , from the set yield requirement. Only when the deviation exceeds or falls short of this range is the real value adjusted. This deviation is accepted since there is always some uncertainty in estimated figures.

## Other

### Market outlook

Over time, the market for logistics properties is driven by increased goods flows and growing retail trade, particularly e-commerce. Consequently, demand for Catena's well-situated and, for their purpose well-suited and environmentally efficient, logistics spaces is expected to remain good in 2016.

The availability of modern, strategically located logistics premises, preferably adjacent to container terminals, is limited. For this reason, we expect the letting ratio of our properties to remain high. The availability of developable land with suitable planning permission is also limited, providing opportunities to move forward with new production at our existing development sites.

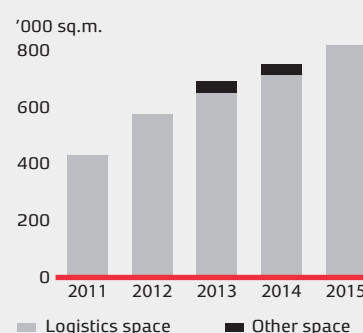
Concluded agreement negotiations also indicate stable rent levels in our existing portfolio. In addition, as a result of increased space efficiency, we expect increased rental income per square meter for our newer holdings of larger buildings and newly developed properties.

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



Törsjö 2:49, Örebro

### Logistics space



## Catena shares

On the balance sheet date, Catena's shares were traded on the Nasdaq Stockholm – Nordic Mid Cap list. The closing price on 31 December 2015 was SEK 115.75, against the opening price of SEK 105.75 on 2 January 2015, representing an increase of 9 percent over the year. The highest price noted for Catena's shares during the year was SEK 141.00 and the lowest was SEK 103.00.

### Ownership structure, 31 December 2015

	No. of shares, 000s	Votes, %
Backahill	11,221	43.8
Endicott Sweden AB (CLS Holding plc)	3,719	14.5
Länsförsäkringar fondförvaltning	2,382	9.3
SFU Sverige AB	1,847	7.2
CRHE Invest AB	770	3.0
Swedbank Robur fonder	539	2.1
Handelsbanken Fonder AB	507	2.0
Banque Carnegie Luxembourg SA	481	1.9
JP Morgan Bank Luxembourg SA	405	1.6
JP Morgan Europe Limited	241	0.9
Skagen M2 Verdipapirfond	178	0.7
SEB Investment Management	148	0.6
Humle Kapitalförvaltning AB	140	0.6
Livförsäkringsaktiebolaget Skandia ÖMS	136	0.5
Other shareholders	2,928	11.3
<b>Total:</b>	<b>25,642</b>	<b>100.0</b>

### Ownership structure, 31 January 2016

	No. of shares, 000s	Votes, %
Backahill	11,221	34.1
Endicott Sweden AB (CLS Holding plc)	3,719	11.3
Länsförsäkringar fondförvaltning	3,283	10.0
SFU Sverige AB	1,847	5.6
Nordea Investment Funds	1,316	4.0
Skagens Vekst Verdipapirfond	1,069	3.2
CGML PB Client Acct-Sweden Treaty	1,057	3.2
Swedbank Robur fonder	918	2.8
JP Morgan Bank Luxembourg SA	778	2.4
CRHE Invest AB	770	2.3
Handelsbanken Fonder AB	512	1.6
Banque Carnegie Luxembourg SA	480	1.5
Malmer, Staffan	460	1.4
JP Morgan Europe Limited	306	0.9
Other shareholders	5,153	15.7
<b>Total:</b>	<b>32,889</b>	<b>100</b>

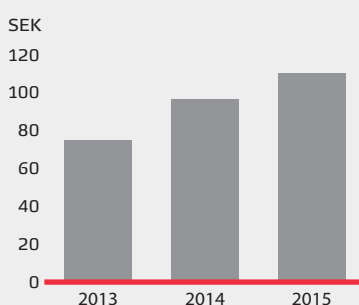
As of 31 January 2016, Catena has 14,455 shareholders.

After 31 January 2016, a further 346,614 new shares have been registered. Following this, the number of shares in Catena amounts to 33,235,506.

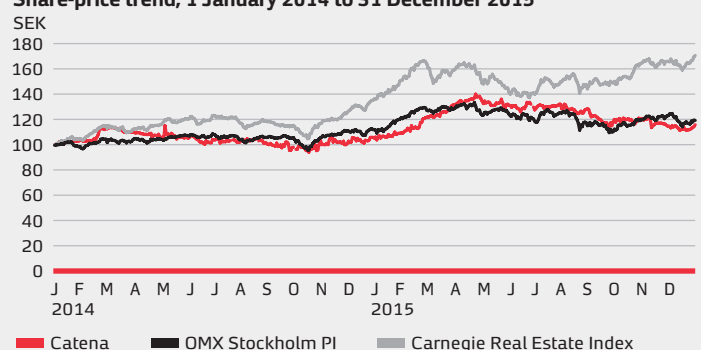
## Dividend policy

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

### Net worth per share, EPRA NAV



### Share-price trend, 1 January 2014 to 31 December 2015



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

For definitions of key figures, see page 14.

	2015 Jan-Dec	2014 Jan-Dec
<b>Property-related</b>		
Rental income, SEK M	464.2	431.3
Net operating surplus, SEK M	351.3	325.7
Rental value, SEK M	511.5	480.1
Economic letting ratio, %	95.5	95.8
surplus ratio, %	75.7	75.5
Loan-to-value ratio, %	70.3	60.1
Lettable area, thousand sq. m.	816.8	753.1
<b>Financial</b>		
Return on equity, %	25.6	19.0
Return on equity, %	10.5	12.3
Interest-coverage ratio, multiple	4.8	3.1
Average interest rate, %	2.6	2.8
Fixed interest, years	3.1	3.5
Capital tied-up, years	2.5	2.9
Equity ratio, %	35.7	32.4
Profit from property management, SEK M	259.3	204.9
Pre-tax profit, SEK M	590.3	440.3
Profit for the year, SEK M	571.5	344.2
Total assets, SEK M	6,947.9	6,136.0
<b>Share-related</b>		
<b>Prior to and after dilution</b>		
Equity per share, SEK	96.46	77.22
Net asset value per share, EPRA NAV, SEK	115.0	96.60
Comprehensive income per share, SEK	22.29	13.49
Profit from property management per share, SEK	10.11	8.02
Number of shares outstanding, millions	25.6	25.6
P/E ratio	5	8

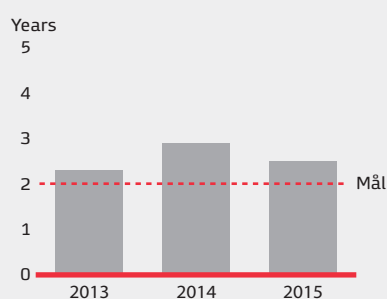
<sup>1)</sup> On remaining properties at the end of the year.



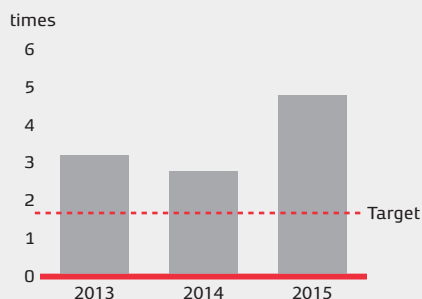
Vindtunneln 2, Borås

## Financial targets

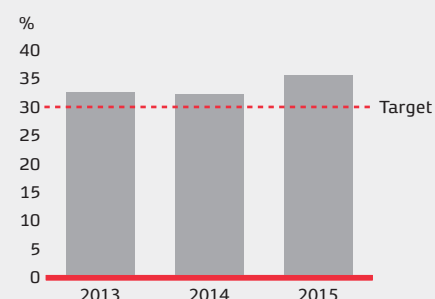
### Average fixed loan term



### Interest coverage ratio



### Equity ratio



## Other significant events during the year

In January 2015, Nya Svensk FastighetsFinansiering AB (Nya SFF) was launched – 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 Wahlborgs 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 Terminal 1 container terminal in Hallsberg, borrowing via a five-year bond in the amount of SEK 112 million with a fixed annual interest rate of 1.42 percent.

Catena has acquired all of Klöver AB's 14,377,428 shares in Tribona AB (publ), equivalent to 29.55 percent of the share capital for a cash consideration of SEK 42 per share. Catena has also submitted a public takeover bid to the other shareholders in Tribona to acquire all remaining shares issued by Tribona.

The financing of the Tribona acquisition was effectuated in cash and through an acquisition facility of SEK 384 million.

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 an offer value of SEK 45 per share, based on the closing price for Catena's shares on 19 October. Alternatively, they may choose to receive a cash consideration of SEK 42 per share in Tribona. The offer was valued at about SEK 2,133 million.

Among other things, the acquisition was conditional on the approval by the Annual General Meeting of a new share issue. An Extraordinary General Meeting was held on 30 November 2015 and the acceptance period for the offer was 2 December to 23 December 2015.

The new group will have a property portfolio of 92 properties with a property value of slightly more than SEK 10 billion. The property portfolio will have a geographical spread among important logistics hubs and metropolitan regions. For further information, please refer to the offer document published on 14 December.

Catena has expanded its senior management to include Lena Haraldsson. Lena began her employment on 1 November as Manager of the Malmö area and logistics in the food sector. Senior management now comprises eight individuals.

Catena has signed agreements for the sale of the Högsbo 21:2 property in Högsbo for a property value of SEK 580 million.

A nomination committee was formed for the 2016 Annual General Meeting.

## Significant events after the end of the year

In connection with the public takeover bid for Tribona's shares, Catena's Annual General Meeting decided to issue new shares and on 29 January 2016, 7,246,971 shares and votes were registered. At that time, Catena had secured 91.6 percent of the shares in Tribona and extended the acceptance period.

Following the extended acceptance period, Catena has acquired an additional 2.9 percent of the shares and now owns 94.5 percent of the Tribona Group. A further 346,614 shares in Catena will be issued. Catena has initiated the compulsory redemption of the remaining shares in Tribona. The Board of Tribona has decided to delist Tribona's shares from the Nasdaq Stockholm exchange. The last day of trading in the shares will be 22 February 2016.

Tribona will be included in Catena's financial statements as of the interim report for the first quarter of 2016. Tribona's Personnel will be offered employment in Catena.



Barnarps-Kråkebo 1:44, Jönköping



Norra Varalöv 31:11, Ängelholm, e-commerce cluster under production in 2016

## Parent Company's financial statements

<b>Income Statement</b>	<b>2015</b>	<b>2014</b>
<b>SEK M</b>	<b>Jan-Dec</b>	<b>Jan-Dec</b>
Net turnover	30.2	27.2
Cost of services performed	-55.1	-54.7
<b>Operating profit/loss</b>	<b>-24.9</b>	<b>-27.5</b>
<b>Financial income and expenses</b>		
Other interest income and similar income	42.7	41.7
Profit from participations in Group companies	133.2	49.2
Interest expense and similar expenses	-99.4	-219.6
<b>Pre-tax profit</b>	<b>51.6</b>	<b>-156.2</b>
Tax on profit for the year	-17.7	22.1
<b>Comprehensive income for the year</b>	<b>33.9</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>SEK M</b>	<b>31 Dec</b>	<b>31 Dec</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1.6	1.8
Financial fixed assets	1,856.4	1,227.4
Deferred tax asset	29.4	39.1
Non-current receivables	–	2.3
<b>Current assets</b>		
Receivables from Group companies	1,210.3	1,373.3
Receivables from associated companies	33.3	55.7
Current receivables	5.8	5.4
Cash and cash equivalents	201.2	198.7
<b>Total assets</b>	<b>3,338.0</b>	<b>2,903.7</b>
<b>Equity and liabilities</b>		
Equity	1,119.1	1,162.1
<b>Non-current liabilities</b>		
Liabilities to credit institutions	316.8	–
Other non-current liabilities	116.2	146.9
<b>Current liabilities</b>		
Liabilities to credit institutions	67.2	–
Liabilities to Group companies	1,667.5	1,553.9
Liabilities to associated companies	14.9	14.2
Other current liabilities	36.3	26.6
<b>Total equity and liabilities</b>	<b>3,338.0</b>	<b>2,903.7</b>

## 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, 18 February 2016  
Catena AB (publ)  
Board of Directors

*This report has not been subject to special review by the company auditors.*



Köpingegården 1, Helsingborg

## 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 property's carrying amount at the end of the period/year.

### 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 rent under valid leases at the end of the period/year 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 the 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 for which capital is tied up 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.



Volume Terminal, Katrineholm, under construction

# Acquisition of Tribona

## Income statement for each company 31 December 2015, IFRS

SEK M	Catena	Tribona
Rental income	464	402
Property expenses	-113	-88
<b>Operating surplus</b>	<b>351</b>	<b>314</b>
Administration and other	-5	-33
Net financial items	-87	-152
<b>Profit from property management</b>	<b>259</b>	<b>129</b>
Changes in value	331	50
<b>Pre-tax profit</b>	<b>590</b>	<b>180</b>
Taxes	-18	-40
<b>Earnings</b>	<b>572</b>	<b>140</b>

Tribona's operations were consolidated into Catena effective from 26 January 2016. A consolidated income statement will first appear in the interim report for the first quarter of 2016 that will be published on 27 April 2016.

## Pro forma balance sheet 31 December 2015, IFRS

SEK M	Catena	Tribona	Prof. adj.	Pro forma
Goodwill	-	-	131	131
Investment properties	4,781	5,262	-	10,043
Other non-current assets	1,342	72	-604	810
<b>Total non-current assets</b>	<b>6,123</b>	<b>5,334</b>	<b>-473</b>	<b>10,984</b>
<b>Current assets</b>	<b>825</b>	<b>118</b>	<b>-629</b>	<b>314</b>
<b>TOTAL ASSETS</b>	<b>6,948</b>	<b>5,452</b>	<b>-1,102</b>	<b>11,298</b>
<b>Total equity</b>	<b>2,478</b>	<b>1,918</b>	<b>-1,068</b>	<b>3,328</b>
Liabilities to credit institutions	2,410	2,892	203	5,505
Other non-current liabilities	522	449	-	971
<b>Total non-current liabilities</b>	<b>2,932</b>	<b>3,341</b>	<b>203</b>	<b>6,476</b>
Liabilities to credit institutions	997	58	110	1,165
Other current liabilities	541	135	-347	329
<b>Total current liabilities</b>	<b>1,538</b>	<b>193</b>	<b>-237</b>	<b>1,494</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,948</b>	<b>5,452</b>	<b>-1,102</b>	<b>11,298</b>

This pro forma has been calculated on a preliminary basis for each of the companies' annual accounts and should be viewed as an indicative balance sheet. The balance sheet is based on assumptions that have not yet occurred.

## 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.

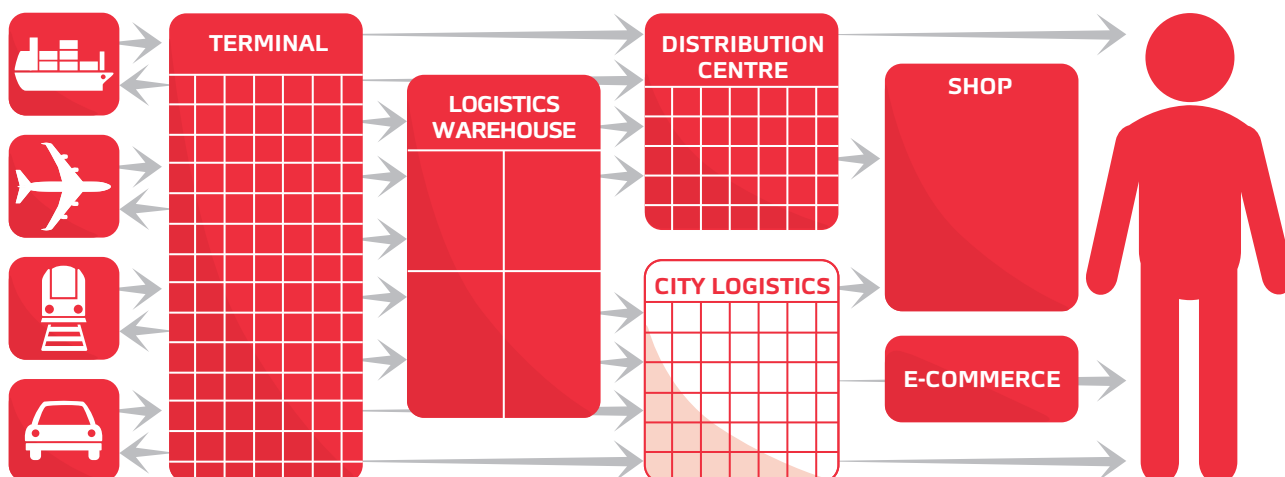
### Business concept

*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 stricter new 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 requirements on logistics premises. Consequently, Catena provides different types of premises solutions.





## Contact

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## Financial reporting

Annual General Meeting 2016, in Stockholm, 4.00 pm	27 April 2016
Interim Report January-March	27 April 2016
Interim report January-June	11 July 2016
Interim report January-September	10 November 2016
Year-end report 2016	17 February 2017
Annual General Meeting 2017, in Stockholm, 4.00 pm	27 April 2017



# CATENA

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Corp. Reg. No. 556294-1715, Registered office: Solna