



CATENA
2013
Annual Report

Catena
– the road forward

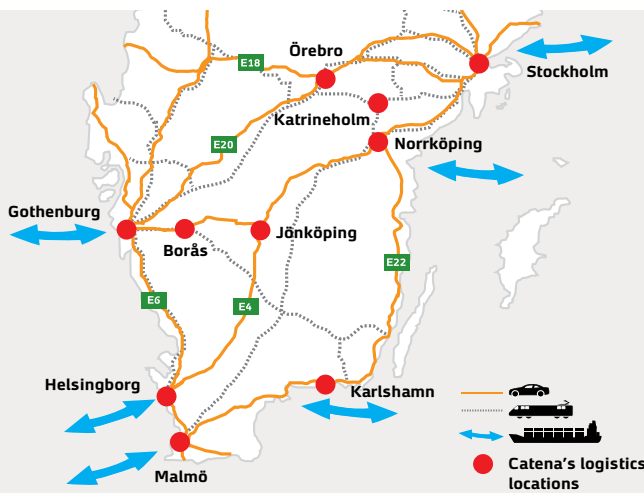
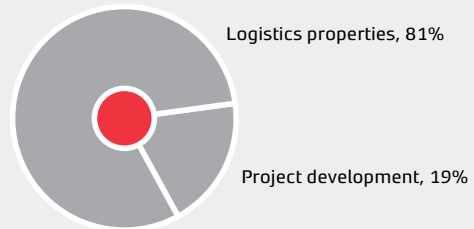
A new Catena – the road forward

On 30 September 2013, Catena AB (publ) took over 100% of the shares in Brinova Logistik AB. Combined with the cash flows generated through the management of logistics properties, Catena's property expertise has enabled the company to capitalise on the value potential of the Haga Norra development project in Solna, which is already included in Catena's portfolio.

Business concept

Catena's business concept is to own, effectively manage and proactively develop properties in prime locations that offer the potential to generate a steadily growing cash flow and favourable value growth.

Assets



Management of logistics properties

Catena's logistics operations comprise 44 logistics and warehouse properties with a lettable area of 650,000 square metres. The properties are situated in prime locations near Sweden's main transport routes. Of the total lettable area, 45 per cent is in the Stockholm region, 28 per cent in the Gothenburg region and 27 per cent in the Öresund region, all of which are key centres of population and consumption. Read more on pages 20-23.

Project development

Catena's project portfolio mainly comprises the Haga Norra project in Solna. This project includes a property with slightly more than 40,000 square metres of floor space, where Bilja currently operates a car service centre for Volvo and Renault. Work on a detailed development plan for residential and commercial premises is under way at the property. Read more on page 12.



A year of transformation

The year in brief¹⁾

- Income from property increased from SEK 286.2 million to SEK 316.8 million as a result of a larger portfolio and new tenants, as well as renegotiated contracts.
- Net operating surplus rose from SEK 184.9 million to SEK 221.3 million due to higher income from property and slightly lower property expenses.
- Profit for the year declined from SEK 220.3 million to SEK 138.4 million as a result of lower positive value changes and higher deferred tax.
- As a result of the new issue of shares in connection with the acquisition of Brinova Logistik AB, earnings per share fell from SEK 19.26 in 2012 to SEK 9.81 in 2013.
- The Board proposes a dividend of SEK 2.0 (1.0) per share.

Significant events during the year

- Catena AB (publ) entered into a conditional agreement with Brinova Fastigheter AB concerning the acquisition of Brinova Logistik AB and thus 44 logistics and warehouse properties comprising lettable floor space of 650,000 square metres.
- At the Extraordinary General Meeting held in conjunction with Catena's acquisition of Brinova Logistik AB, a new Board of Directors was elected, with Erik Paulsson, Andreas Philipsson and Gustaf Hermelin being added to the Board and Christer Sandberg and Lennart Schönning stepping down. At the same time, Gustaf Hermelin was appointed as the new CEO of Catena.
- The number of shares in Catena increased in October with the addition of 13,630,952 new ordinary shares. Accordingly, Catena's registered share capital amounts to SEK 110,859,988.80 distributed among 25,195,452 shares. The new shares were admitted to trading on 18 October.
- In conjunction with the transaction, Catena assumed responsibility for most of Brinova Fastigheter's personnel. The new organisation comprises 20 individuals.
- It was decided that Catena's share would be listed on NASDAQ OMX Stockholm – Nordic List, Mid Cap as of 2 January 2014.
- Catena has divided its operations into four regions: Stockholm Region, Gothenburg Region, Öresund Region and Projekt Solna.
- The Board established new financial targets and a new dividend policy. Refer to page 49.
- The Board decided to appoint Mikael Halling as the new Deputy CEO of Catena.

Events after the end of the period

- Catena acquired two properties amounting to SEK 396 million in Haninge and Nässjö. The properties comprise 48,000 square metres of logistics space. A private placement of SEK 50 million was conducted with the seller as a means of partially financing the acquisition of the properties.

1) On 30 September 2013, Catena AB acquired Brinova Logistik AB from Brinova Fastigheter AB. The acquisition has been recognised as a reverse acquisition. The Annual Report was prepared as a continuation of the Brinova Logistik AB Group's financial statements. Accordingly, all comparative figures and current periods have been restated to reflect this.

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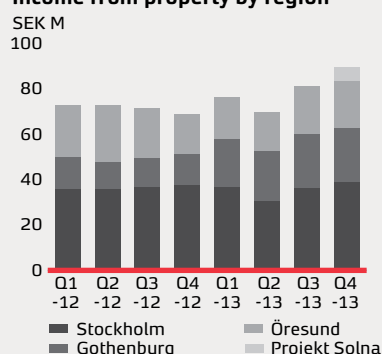
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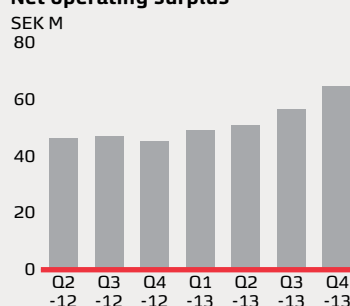
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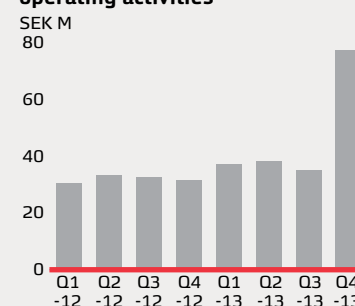
Income from property by region



Net operating surplus



Cash flow from operating activities



A leading logistics property company

The merger of Catena and Brinova Logistik AB laid the foundation for Sweden's foremost property company in the area of logistics. Our solid knowledge of property management and the attractive Haga Norra development project have provided us with stability and potential.

Unique logistics expertise

In Brinova's Annual Report for 2012, I described our goal of creating a leading property company specialising in logistics. One year later, we have achieved this goal within the framework of Catena. With 650,000 square metres of logistics premises valued at nearly SEK 4 billion, Catena is one of the largest property companies – in fact, I would say the leading property company – in the logistics sector in Sweden. In addition to property knowledge, Catena possesses unique logistics expertise. Together with various specialists, we have identified the qualities that are characteristic of an optimal logistics premises. When I refer to logistics premises, I do not mean a simple warehouse for raw materials or finished products, but rather a property that has been customised for one or more logistics tasks. We have also invested considerable resources in creating these purpose-built logistics premises and, as a result, we can provide specialised premises for a wide range of logistics purposes, such as transshipment, consolidated shipment and interim storage.

More than just an average landlord

We also have premises that can supply stores in the inner city with frequent deliveries of goods. These properties, which we refer to as city distribution centres, allow stores to replace costly retail space with more inexpensive logistics space, thereby cutting costs for our tenants. Reducing the number of in-store products also helps minimise the store's working capital. The customised safety features we install offer a secure and cost-efficient way of protecting our tenants' value. These qualities, along with a number of associated services, make us more than just an average landlord. We deliver complete solutions and functions and thus consider ourselves a consultant or partner for our tenants – an offering that we believe many customers appreciate, particularly in the growing e-commerce sector.

Mapping of cargo flows

To identify optimal locations – a factor that is vital for a logistics property – Catena has invested major resources in order to map out the country's cargo flows. As a result, we now have a good understanding of how goods from various areas of the world enter Sweden and are distributed across the country by road and rail. This knowledge serves as the basis for our selection of locations for investments in land and development properties. These identified areas are also the locations where we have already established operations. At many of our logistics locations, we can also offer our customers container terminals, where several types of transport operations converge. Although road transport remains prevalent, I am confident that these terminals will become increasingly important, particularly from a cost and environmental perspective. While our investment in the expansion and construction of container terminals has so far been limited, it has nevertheless provided us with significant growth potential upon which we will gradually

be able to capitalise. Naturally, we also offer attractive facilities along the major European motorways.

Potential of Haga Norra project

The strong cash flow generated by our operating activities has

given us an opportunity to develop one of Sweden's most attractive and ideally situated development projects: Haga Norra in Solna. The area is situated in a prime location with respect to public transport, with direct connections to the growing city districts of Arenastaden, Nya Karolinska and Hagastaden. The project includes the development rights for 70,000 square metres of commercial space and 80,000 square metres of residential space, the latter of which corresponds to approximately 800 apartments. The project also includes 50,000 square metres of prime floor space at ground level, which is intended to be used for a parking garage and other facilities. The total investment is esti-

“The strong cash flow generated by our operating activities has given us an opportunity to develop one of Sweden's most attractive and ideally located development projects.”



mated at slightly more than SEK 4 billion at the current monetary value and the implementation period is expected to be between five and ten years. We expect the approved – but contested – detailed development plan for the area to gain legal force in 2014, following which we plan to drive the process forward in cooperation with established players in the office and residential sector.

Impact on earnings in 2014

As a result of the merger of Catena and Brinova Logistik in the autumn, the company's profit in 2013 and 2012 is not fully comparable. The most complete comparative figures pertain to net operating surplus, which increased 11%, and the surplus ratio, which rose from 65% to 70%. In general terms, Brinova's logistics properties, which generate favourable returns, have been supplemented by Catena's major project property Haga Norra, which is expected to generate a substantial future return. In addition to Haga Norra, a number of other ongoing projects will also be completed – and thus have a positive impact on profit – in the coming year. We can already confirm that profit is developing according to plan – a result that we are proud of although not entirely satisfied with.

The natural choice

After achieving the targets established last year, we are now continuing to strengthen our position and be the natural choice for customers looking for a prime logistics location. We will continue to grow by supplementing our existing operations, as well as developing new, rational logistics properties in prime locations. In an increasingly competitive world, our credibility as a supplier depends on our ability to help our customers become better and more efficient. At the same time, our long-term standing as a listed company will be based on our ability to generate a higher return than other companies. We have what it takes – in terms of financial and organisational capacity – to succeed on both fronts. I look forward to an exciting 2014.

Solna, March 2014
Gustaf Hermelin, CEO



Catena's market

As the world becomes increasingly globalised, the need for international transport is growing. This, in turn, is boosting demand for logistics services such as interim storage and local relocation. Along with increasing demands on capital and cost-efficiency, environmental considerations and new consumption patterns, this is driving the need for customised and well-situated logistics facilities.

Clear trends driving the need for logistics properties

The conditions in the logistics industry have changed. As a result of globalisation, the distance between production and consumption is growing. Combined with a sharp increase in e-commerce, this trend is creating greater demand for efficient logistics resources. As part of this trend toward globalisation, international production networks are becoming increasingly common and production is gradually becoming more specialised. Various processes are carried out in a number of countries before a product ultimately reaches its country of consumption. This trend has contributed to an increase in global trade flows and imposed greater demands on system integration and sound logistics.

Like global trade in general, Sweden's foreign trade has gained considerable momentum since the 1970s. Today, Sweden's exports account for nearly 50% of the country's GDP, which is above the average for the EU and OECD countries, while global trade has tripled since the beginning of the 1970s.

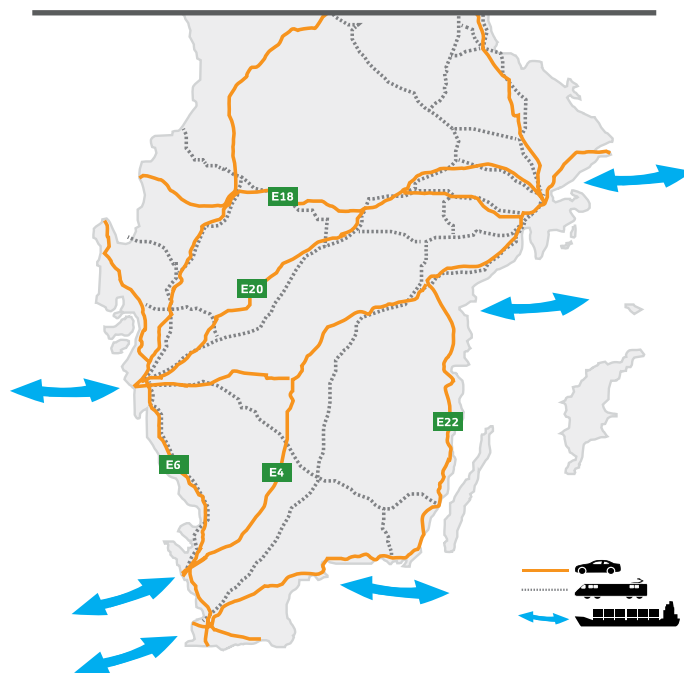
This increase in trade has imposed greater demands on both logistics facilities and transport. With respect to goods leaving or arriving in Sweden, shipping by sea and lake is the dominant form of transport. A full 95% of all Swedish exports and imports are transported through the country's ports and, as a nation, Sweden offers several advantages when it comes to logistics centres. In 2010, 180 million tonnes of cargo from domestic and foreign traffic were handled in Sweden's ports, of which 12 million tonnes were transported within Sweden.

Favourable prospects for retail trade

E-commerce continues to display strong growth and most Swedes have purchased or ordered goods online. In the largest increase since 2007, e-commerce rose 17% in 2013, corresponding to a turnover of slightly more than SEK 37 billion. The product categories that displayed the strongest growth came from the sport, leisure and other segments – cosmetics, toys, building materials and accessories – while home electronics remained the largest industry in e-commerce. E-commerce currently accounts for 6% of the total retail trade in Sweden.

Although e-commerce has displayed significant growth for some time, it was only during 2012 that consumers first began to take the industry seriously. This was particularly clear during the Christmas shopping period, when 40% of consumers purchased their gifts online, corresponding to an increase of 5% compared with 2011. E-commerce companies were once again expected to set new sales records during the 2013 Christmas season.

This increase in e-commerce has placed greater demands on logistics companies with respect to flexibility, speed and reliability.



The port in Karlshamn serves as a centre for transport from the east and has taken on an increasingly important role as Asia has become a growing export market for Swedish companies, with China representing Sweden's largest trade partner. Helsingborg, the country's second largest container port, also offers one of the best logistics locations in Sweden and functions as a southern hub for rail traffic and HGV traffic along the E4 and E6 motorways. The port in Malmö functions as the country's southern transport logistics centre. The port in Gothenburg – Scandinavia's largest port, through which nearly 30% of Swedish foreign trade passes – serves as the country's western hub, with routes to approximately 140 destinations worldwide. Stockholm is the gateway to Sweden's most densely populated area – Mälardalen.

Today's consumers expect their online purchases to be quick and e-commerce companies to be reliable. Two emerging trends in e-commerce are track-trace, meaning the ability to track orders from production to end supplier, and rating, which allows consumers to evaluate e-retailers using a rating system.

In the highly competitive e-commerce industry, efficient logistics, short lead times and in-stock availability are winning concepts. The most successful players in this competitive industry will be those that are able to quickly adapt to the digital trend.

Investment market

Logistics and warehouse properties represent a subsegment of the wider real estate market, which has been undergoing a structural transformation since the early 2000s. Previously, the portfolio was largely owned by the companies using the premises, but a consolidation of ownership is now under way. Domestic companies such as Catena, Kilenkryssset, Sagax and Tribona, as well as foreign players such as Goodman and ProLogis, specialise in the ownership of logistics and warehouse properties.

However, logistics and warehouse properties have gradually become a segment of the real estate market in which institutional players – both private and partnerships – also wish to create exposures, either indirectly through companies and real estate funds or directly through property investments. Norges Bank Investment Management's acquisition of 50% of ProLogis' European logistics portfolio for approximately SEK 10 billion in 2012 is an example of this increased interest from institutional players. The growing interest in logistics and warehouse properties is partly attributable to breakthrough of e-commerce, which in the long term will result in a change to the distribution chain in the retail sector. The logistics

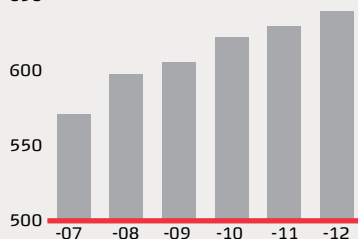
and warehouse market continues to be characterised by a lack of attractive investment objects and a wide spread with respect to such parameters a ownership, size, modernity and efficiency. This means that the majority of institutional investors have a smaller allocation, particularly of logistics properties, than the segment's share of the total commercial property stock. The transaction activity in the segment has increased since the financial crisis in 2008-2009, when the level of activity in the real estate market experienced was generally low.

In 2012 and 2013, the transaction volume was nearly in line with the listings reported in the years prior to the financial crisis. During the first three quarters of 2013, the turnover of properties amounted to slightly less than SEK 10 billion. Some of the largest transactions conducted during the year were Catena's acquisition of Brinova Logistik AB, the Danish company PFA Pension's purchase of 50% of NREP Logistics, and ICA and Alecta's purchase of ICA's central warehouse in Helsingborg.

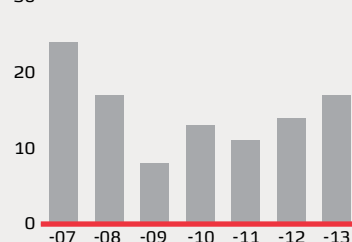
Rental market

From an international perspective, Sweden has high rents for logistics and warehouse properties, partly due to high building costs and limited speculative building. Despite an increase in new production since 2010, the majority of new areas are being built for previously contracted tenants, which means that the number of vacancies in new, modern logistics premises is highly limited. Despite this limited supply, the trend in the rental market has been weak and is expected to remain limited as a result of a large supply of developable land and stable production costs, as well as intense competition among contractors and project developers for new assignments in the segment. The supply of developable land in Stockholm is lower than in other parts of the country, while payroll expenses are generally high,

Retail trend
SEK billion
650



E-commerce trend
%30



Sources: www.karlshamnshamn.se; www.goteborgshamn.se; www.port.helsingborg.se; E-barometer Report 2013, PostNord in collaboration with the Swedish Digital Commerce Association and HUI Research; Ekonomifakta; "Godstransporter i Sverige, redovisning av ett regeringsuppdrag" (Transport of goods in Sweden: report on a government assignment) by Transport Analysis 2012:7; Catella/CBRE; Catella/SCB; Catella/HUI; Stockholm Business Region; the Swedish Board of Housing Building and Planning.



which has driven up rents for newly produced premises in attractive locations.

As e-commerce continues its sharp growth, the need for logistics premises will increase among both new and established retail players, as well as suppliers of logistics solutions. According to a 2012 report from Property Investor Europe, approximately 90% of growth within the retail trade during the coming years is expected to occur through mail order. There is a trend toward major distribution centres serving a growing trading area at the same time as European infrastructure is improved and transportation times shortened. At the same time, e-commerce is also creating a need for end-customer distribution via delivery points located near residential areas. As a result of increased environmental awareness, rail transport now accounts for a larger portion of the overall logistics mix, which is creating a demand for improved access to container terminals, where cargo can be moved, for example, between rail and road.

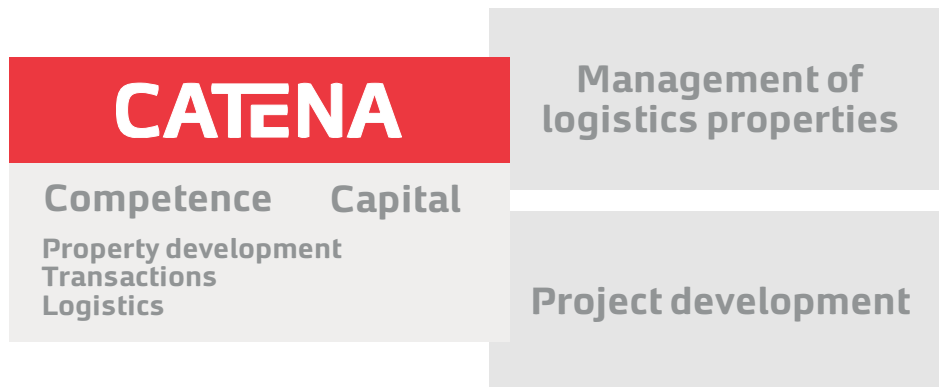
The property Högsbo 21:2, commonly referred to as Preppen, once housed a brewery. Over the course of ten years, we have meticulously developed the property into a modern logistics property in a prime location by extending, rebuilding and improving the premises in various ways. In addition to the largest tenant DHL, the modern, attractive premises in the property are leased by a small number of other companies and institutions. The project will now come full circle as Grebbestad Brewery moves into the former Pripps Brewery premises, which means that essentially the entire 64,800 square metres of floor space has been leased. This is a good example of how we secure cash flows and boost the value of our properties.



Our business

Catena offers companies and third-party operators attractive, appropriate logistics facilities in prime strategic locations near Sweden's flows of goods. Combined with the cash flows generated through the effective management of well-located logistics properties, Catena's property expertise has enabled the company to create project earnings from the Haga Norra development project.

Our business model is based on an attractive customer offering



Catena's business concept is to own, effectively manage and proactively develop properties in prime locations that offer the potential to generate a steadily growing cash flow and favourable value growth. The foundation of the operations is the management of 44 well-located logistics properties in southern Sweden.

Management of logistics properties

Our logistics and warehouse properties have a lettable area of about 650,000 square metres, of which 91% is used for logistics/warehouse purposes. The remaining area mainly comprises office space. Of the total lettable logistics area, 45 per cent is in the Stockholm region, 28 per cent in the Gothenburg region and 27 per cent in the Öresund region.

We are knowledgeable when it comes to international and national flows of goods as well as our customers' needs. Thanks to the proactive management of our internal personnel, we are able to quickly identify the needs of the market and our tenants and thus adapt our offering to suit a specific partner, tenant or situation. This allows us to create a stable net operating surplus, which optimises our rental and property values.

An attractive offering

Our offering is brief and to the point – the right property in an optimal location. As we build modern, purpose-made logistics facilities in attractive locations across Sweden, we focus on a number of factors:

Location is crucial for efficient, well-functioning logistics. Close to key transport arteries, with excellent connections.

Environment – Today's cargo flows utilise shipping, air, rail and road transport, separately or in various combinations. The best logistics facilities are located near hubs that offer good potential for combined transportation solutions.

Type of property – An offering with a number of different types of premises specially adapted to the customer's primary operations.

Flexibility is extremely important when it comes to ensuring the long-term attractiveness of a facility.

Security based on skill and responsibility, which can only be provided by a leading logistics property company.

Safety features designed to provide tenants with full protection against break-ins, fire, flooding and other damage.

Commitment to our goal of being the top player in logistics properties. As one of the largest companies in the area, we feel a deep sense of responsibility to continue developing our business in order to ensure that Sweden has a well-functioning supply chain.

We have operations established in Sweden's three metropolitan areas, which, along with Projekt Solna, comprise our business segments. We work in close proximity to our customers in order to provide them with optimal, customised logistics premises.

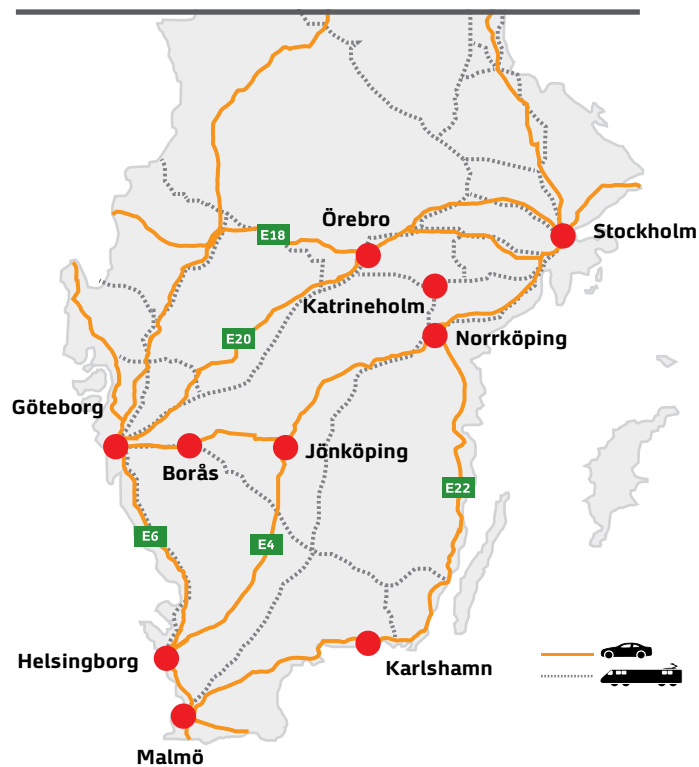
Transactions

By developing our properties technically, commercially and financially, we generate new value that can be realised in a responsible manner when the property is fully developed. Well-managed properties that generate stable income give us the flexibility and possibility to consider divesting to responsible prospective buyers when optimal conditions arise or to bring in joint-ownership partners. This enables us to free up personnel and financial resources for continued project development, primarily in the area of logistics.

Project development

Catena's project development work primarily comprises a development property in Haga Norra in Solna, located in close proximity to Sweden's national arena with a lettable area of 40,723 square metres. At 31 December 2013, the rental value of the property amounted to SEK 27.0 million and the economic letting ratio was 97.9%. The fair value of the property at 31 December 2013 was SEK 885 million and mainly comprised an estimated value for the potential development rights that can be realised through the work under way on the detailed development plan for the property.

Some of the cash flow generated from the logistics properties will be used for the development of the Haga Norra project. This development project currently houses a dealership and service centre operated by Bilia. The project will undergo a major facelift with the addition of 800 new residential units and 70,000 square metres of office space.



Catena's logistics facilities are located in along the country's main transport artery.

The block, known as Stora Frösunda, will be converted into a new city district with a diverse range of urban buildings. In addition to residential and commercial premises, the area will also be home to a number of stores, offices, schools and pre-schools. The plan also includes land for pedestrian and bicycle paths, a square, parks, parking facilities and areas for rail traffic.

Various types of logistics premises for different purposes

Terminals/Container terminals

Properties that are primarily designed for transshipment operations. This type of property includes container terminals, where possibilities of moving goods from one mode of transport to another are optimised.

Warehouses

This category includes manufacturing companies' inventories of finished goods and importers' stocks of goods awaiting sale.

Distribution

This category primarily comprises goods that are stored for a

shorter period to then be transported onward. Distribution centres mainly require good loading and offloading facilities and often packing equipment.

City logistics

This type of distribution centre is optimised for rapid and short-distance freight distribution activities, often involving fast-moving goods such as perishable goods for supermarket sales.

E-commerce

While the simplicity of e-commerce creates a competitive edge, customers also expect fast deliveries. The costs for shipping and handling must be kept to a minimum in order to compete with physical stores, which places major demands on logistics.

A clear vision and well-defined strategies

Our overriding goal, based on our focused orientation, is to give shareholders a favourable long-term total return through an attractive customer offering.

Vision

To achieve our overriding goal, we have established a clear vision – We aim to be the natural choice for customers looking for a prime logistics location.

Strategies

To achieve our vision, we have defined four interrelated strategies that form the foundation of our operations:

- We focus on project development relating to Catena's properties.
- We take a proactive approach to the management of these properties, with a focus on promoting long-term customer relations by offering attractive premises in close cooperation with Catena's tenants.
- We divest properties that offer limited potential to create additional value growth.
- We streamline and develop properties by identifying and implementing value-adding measures that enhance the appeal of the properties and their yield, with due consideration of risk.

During the year, we implemented the following measures within the framework of our strategies:

- Development of an environmentally efficient and cost-effective distribution centre for Axfood's frozen foods at the island of Hisingen in Gothenburg. The property is heated using solar panels and recovered heat from the cooling system.
- Continued development of container terminals in key logistics areas. We have now established proprietary

operations and partnerships in Karlshamn, Katrineholm, Hallsberg and Nykvarn.

- Increase in the energy efficiency of Posten (the Swedish postal service) in Gothenburg through the installation of solar panels at the property Backa 23:5.
- Construction of industrial premises in southern Helsingborg leased by DHL. The premises house Svenska Retursystem's cleaning facility, which provides Swedish retailers of perishable goods with clean food crates and pallets.

While Catena's property portfolio is currently undergoing an expansion phase, the company is also continuing to divest properties no longer deemed to be strategic. In 2013, two minor properties were sold in order to streamline the logistics portfolio.

Capacity to deliver

Catena's existing logistics properties are well located. In addition to being situated near ports and transport arteries, many of the properties – particularly those located near growing cities – have the potential to be developed into city distribution centres or to be used for other purposes, such as residential or industrial premises. Catena has land, warrants and agreements in place to enable it to further strengthen its offering in accordance with market trends. The company has an efficient, decisive organisation with sound knowledge of the local market, solid industry experience and strategic expertise. The company also has a strong balance sheet. This provides excellent opportunities for the continued development of the operations.

Unique logistics partnerships with municipalities:

Excerpt from an article in Destination Karlshamn News, November 2013:

Equipped for continued growth

The new container terminal in Karlshamn is now complete and will result in a major increase in the efficiency and capacity of cargo handling operations in Karlshamn.

Karlshamn is already the largest port in Sweden for rolling cargo to the Baltic States. Now the port is well equipped to meet the continued growth in the flow of cargo. Generally speaking, container handling is the fastest-growing form of cargo handling both nationally and internationally, and Karlshamn has seen a significant increase in container deliveries, particularly to Asia.

"The new container terminal represents an important step for cargo handling and the flow of goods via Karlshamn. We can now

increase the efficiency and scale of our cargo handling operations and, in the long term, raise the proportion of cargo transported by rail," says Mats Olsson, CEO of Karlshamns Hamn AB.

"This investment shows that we are gearing up our resources considerably and matching the market and the investments in capital being made on the other side of the Baltic Sea. We now have a full service that meets the growing cargo flow via Karlshamn – all located only two kilometres from the Blekinge coastal rail line, to which there is now an electric rail connection from the container terminal. This terminal is an asset when it comes to handling all forms of cargo, not only by sea, and strengthens Karlshamn's position as a key cargo hub in the region and the country," concludes Mats Olsson.



Financial targets govern operations

Catena's management bases its work on three targets established by the Board of Directors with a focus on return and financial stability.

Target

Return on equity

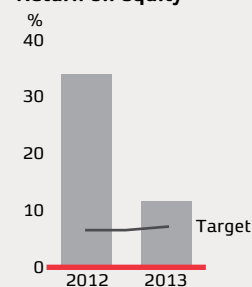
The return on equity is to exceed the interest rate on a Swedish five-year treasury bond by at least 5 percentage points. This level is deemed to provide reasonable compensation for the risk associated with the capital invested in the operations by the shareholders.

Comments

The 11.7% is above the target level, which is currently 6.8%, despite the fact that, as a result of the reverse acquisition, we are unable to take into consideration the results of the original Catena for the period through September. Combined with an increase in equity as a result of the acquisition, this is one of the main reasons why the net profit for 2013 on the closing date appears to be lower than in the preceding year.

Outcome

Return on equity

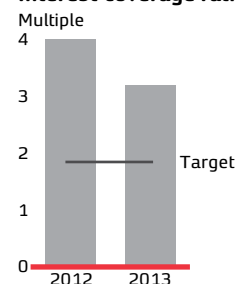


Interest-coverage ratio

The interest-coverage ratio is not permitted to be less than a multiple of 1.75. This level provides an adequate safety margin, for example, in the event of rising market interest rate.

Combined with higher loan volumes as a result of an increase in the balance sheet and thus in interest expenses, the company's apparent decline in profit resulted in a lower interest-coverage ratio. However, the target was achieved with a highly satisfactory margin. The interest-coverage ratio amounted to a multiple of 3.2.

Interest-coverage ratio

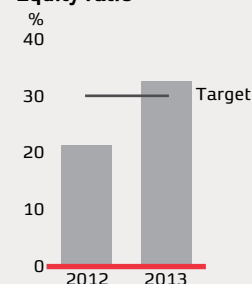


Equity ratio

The equity ratio is to be a minimum of 30%, a figure deemed to provide favourable return potential and to balance the risks in the operations

Equity increased as a result of a robust cash flow, the reverse acquisition and a capital contribution. At the same time, the loan-to-value ratio of the property portfolio declined. This had a positive impact on the equity ratio, which amounted to 32.6% on the closing date, meaning that the target was achieved.

Equity ratio





Operations in 2013

2013 was an eventful year for Catena. The operations during the first nine months of the year mainly comprised monitoring the ongoing planning process for the Stora Frösunda property. On 30 September, the company acquired Brinova's portfolio of logistics properties and, in connection with the acquisition, the majority of the employees in Brinova's organisation assumed new positions within Catena. With the addition of a small number of new employees, we have assembled a comprehensive, agile team with a vast knowledge of the logistics and property sectors and extensive experience of developing and operating listed companies.

A year of transformation

Comments on the year

In August, Catena entered into a conditional agreement with Brinova Fastigheter AB concerning the acquisition of Brinova Logistik AB, which owned 44 logistics and warehouse properties comprising lettable floor space of 650,000 square metres. The acquisition was carried out in accordance with a decision passed at the Extraordinary General Meeting in September, at which point Catena took over 100% of the shares in Brinova Logistik AB. The acquisition provided Catena with a strong property business. Combined with the cash flows generated through the management of logistics properties, Catena's property expertise has enabled the company to capitalise on the value potential of the Haga Norra development project in Solna. The net value of the acquisition, less existing liabilities, amounted to SEK 1,145 million. The acquisition was financed through a private placement of 13.6 million shares to Brinova Fastigheter AB at a price of SEK 84. Following the completion of the private placement, the number of shares in Catena amounts to 25.2 million. The newly issued shares correspond to 54% of the total number of shares. As a result of the transaction, the equity in Catena increased from SEK 735 million to SEK 1,642 million. In conjunction with the acquisition, Gustaf Hermelin was appointed as CEO.

The acquisition of Brinova Logistik AB is recognised as a reverse acquisition, which means that Brinova Logistik AB is treated, for accounting purposes, as the acquirer in the transaction.

Accordingly, the Annual Report has prepared as a continuation of the financial statements of the Brinova Logistik AB Group and the comparative figures and current periods have been restated to reflect this. This means that Catena's income and expenses until 30 September were eliminated in the results. The acquisition was an asset

Key performance indicators	2013	2012 ¹⁾
Income from property, SEK M	316.8	286.2
Net operating surplus, SEK M	221.3	184.9
Profit from property management, SEK M	147.0	178.8
Pre-tax profit, SEK M	184.7	232.3
Profit for the year, SEK M	138.4	220.3
Investments in existing properties, SEK M	186.7	206.6
Acquisition of properties, SEK M	1,125.6	523.7
Divestment of properties, SEK M	-3.3	-170.1
Return on equity, %	11.7	34.1
Interest-coverage ratio, multiple	3.2	4.0
Equity ratio, %	32.6	21.4

1) Pertains to Brinova's logistics operations.

acquisition, which means that the value of the issued shares was determined based on the value of the assets acquired, in accordance with *IFRS 2 Share-based Payment*.

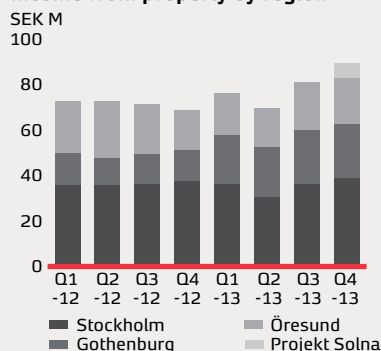
The results and key performance indicators do not reflect the full effect of the merger. The full effect will first be achieved in 2014, when the full-year effects of completed projects have full impact. Comparative figures for Catena prior to the acquisition of Brinova Logistik AB are available on page 55.

The new issue of shares in conjunction with the acquisition resulted in key performance indicators that are not directly comparable from year to year without further analysis.

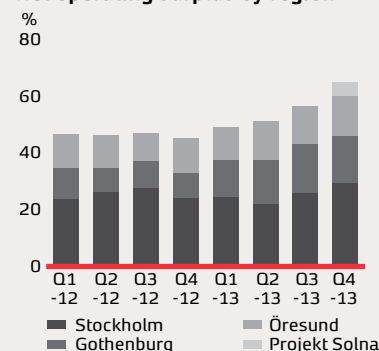
Turnover and net operating surplus

Income from contracts with long durations account for approximately 65% of Catena's total contracted annual rent. This results in stable income with little variation between periods, with the exception of the effects of acquisitions and sales. Following the completion of renegotia-

Income from property by region



Net operating surplus by region



tions and new lettings, the average duration of leases amounts to slightly more than five years. Compared with the preceding year, income from property, which amounted to SEK 316.8 million during the year, increased by SEK 30.6 million, mainly due to completed projects and acquired properties.

Property expenses declined by SEK 5.8 million, primarily as a result of new lettings in which the tenants assumed most of the operating costs. Net operating surplus rose SEK 36.4 million to SEK 221.3 million, causing the surplus ratio to increase from 65% to 70%.

Profit for the year

Profit for the year after tax declined SEK 81.9 million to SEK 138.4 million, mainly due to a smaller participation in joint venture profits, a reduction in positive value changes and an increase in negative deferred tax. The item Tax includes deferred tax attributable to the remeasurement of temporary differences in acquired companies amounting to SEK 5.6 million.

Changes in the property portfolio

Investments in existing properties during the year amounted to SEK 186.7 million, compared with SEK 206.6 million in the preceding year. The majority of this amount pertains to investments in new construction on the properties Köpingegården 1 in Helsingborg, and Backa 23:5 and Högsbo 21:2 in Gothenburg.

The property Stora Frösunda 2, known as Haga Norra, was acquired indirectly through the reverse acquisition carried out in conjunction with Catena's acquisition of Brinova Logistik AB. The property is a development property in Solna which is currently nearly fully leased. The property value of SEK 885 million mainly comprises an estimated value for the potential development rights that

can be realised through the work under way on the detailed development plan.

During the year, the logistics property Kroksabeln 17 in Helsingborg was acquired for SEK 17 million.

The property Terminalen 1 in Hallsberg, which comprises a container terminal, was acquired for SEK 140 million.

An agreement was entered into concerning the acquisition of the property Dikartorp 3:6 in Järfälla through a real-estate purchase at a price of SEK 80 million. The property was considered to be acquired upon the signing of the agreement.

Two minor property sales were completed for a profit of SEK 2.4 million. The sales were carried out in order to streamline the logistics portfolio.

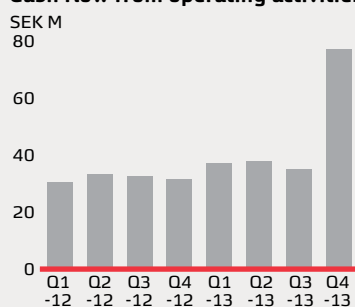
Property sales in 2013

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

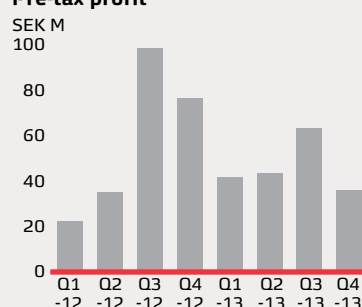
Property acquisitions in 2013

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

Cash flow from operating activities



Pre-tax profit



Cash flow and financial position

Cash flow for the year amounted to SEK 213.4 million. Cash flow was impacted positively by the transactions carried out between Catena and Brinova Fastigheter AB through the settlement of prior intra-Group offset payments to Brinova Logistik AB. At the same time, cash flow declined as a result of investments in properties totalling SEK 268.9 million, which were partially financed through the raising of new loans.

Other significant events

- At the Extraordinary General Meeting held in conjunction with Catena's acquisition of Brinova Logistik AB, a new Board of Directors was elected, with Erik Paulsson, Andreas Philipsson and Gustaf Hermelin being added to the Board and Christer Sandberg and Lennart Schönning stepping down.
- A new senior management was appointed following the acquisition.
- Catena has divided its operations into four regions: Stockholm Region, Gothenburg Region, Öresund Region and Projekt Solna.
- In conjunction with the transaction, Catena assumed responsibility for most of Brinova Fastigheter AB's personnel. The new organisation comprises 20 individuals.
- The new shares were admitted to trading on 18 October 2013 and Catena's registered share capital subsequently amounted to SEK 110,859,988.80 distributed among 25,195,452 shares.
- The Board established new financial targets and a new dividend policy. Refer to pages 14 and 49.

- The Board decided to appoint Mikael Halling as the new Deputy CEO of Catena.

Events after the end of the period

- Catena acquired two properties amounting to SEK 396 million in Haninge and Nässjö. The properties comprise 48,000 square metres of logistics space. A private placement of SEK 50 million was conducted with the seller as a means of partially financing the acquisition of the properties.

Return

Although Catena's original result for the period until September cannot be included due to the reverse acquisition, the return on equity was above the target level. Combined with an increase in equity as a result of the acquisition, this is one of the main reasons why the net profit for 2013 on the closing date appears to be lower than in the preceding year.

Market outlook

Demand for premises in our market segment is strong. While the rent levels are unchanged compared with the preceding quarter, contact negotiations will provide an opportunity to raise these levels slightly, albeit with shorter contract periods. Catena sees opportunities for expansion in the coming years. The market for efficient logistics properties in optimal locations remains attractive as a result of the more stringent demands being imposed on environmentally efficient and cost-effective deliveries. Demand for development rights in Solna remains strong, particularly when it comes to residential properties.

Region	Income from property, SEK M	Profit from property management, SEK M
Stockholm	142.1	77.1
Gothenburg	90.9	47.2
Öresund	77.2	41.9
Projekt Solna	6.6	5.9
Group-wide expenses		-25.1
Total	316.8	147.0

Proposed appropriation of earnings

The followings funds are available for distribution by the Annual General Meeting:

	SEK
Retained earnings	1,178,055,081.90
Profit for the year	-1,375,402.78
Total	1,176,679,679.12

The Board of Directors and the CEO propose that the funds be appropriated as follows:

	SEK
To be distributed to the shareholders:	
SEK 2.00 per share	51,283,842.00
To be carried forward	1,125,395,837.12
Total	1,176,679,679.12

The Extraordinary General Meeting held on 7 March approved a non-cash issue comprising 446,469 shares. Registration of these shares took place on 10 March 2014 and the dividend was thus calculated on the number shares outstanding as of this date, which totalled 25,641,921 shares.

Statement by the Board of Directors pursuant to Chapter 18, Section 4 of the Swedish Companies Act

Proposal of the Board of Directors

In the proposed appropriation of earnings, the Board of Directors proposes to the 2014 Annual General Meeting that Catena pay a dividend of SEK 2.00 per share for the

2013 financial year, which entails a total dividend payment of SEK 51,283,842. According to the Annual Report, Catena's equity ratio amounts to 32.6% for the Group.

Following the proposed dividend, the equity ratio is expected to be approximately 31.9%. One of Catena's financial targets is that the Group's equity ratio should be a minimum of 30%.

Explanatory statement by the Board

In light of the aforementioned, the Board believes that the proposed dividend to shareholders is warranted considering the stipulations in Chapter 17, Section 3, Paragraph 2 and 3 of the Swedish Companies Act. The Board is of the opinion that there is full cover for the Company's restricted equity following the proposed dividend.

After the proposed dividend, the Board believes that the company's and Group's equity and liquidity will be sufficient considering the nature, scope and risk of operations.

The Board is of the opinion that the proposed dividend will not affect Catena's capacity to meet its short or long-term commitments. Moreover, the Board believes that the investments required for the company's operations will not be adversely impacted. While Catena's financial position could potentially enable a higher dividend, the Board took due consideration of the fact that Catena is currently in an acquisition and project implementation phase.

As regards the company's earnings and overall financial position, refer to the income statement, balance sheet and related financial notes on pages 50-87.

The property Backa 23:5 in Gothenburg. In June 2013, a new freezer storage facility with a high environmental profile was completed for Dagab. Up to 20% of the energy utilised by the facility is produced by solar panels installed on the property.



In place at key hubs

Catena is active in Sweden's most important population centres, which also serve as the basis for the company's business structure.

Stockholm Region

Along with the rest of the Mälardalen region and other key logistics areas such as Örebro, Norrköping, Katrineholm and Södertälje, Stockholm represents a significant population centre. The region accounts for a large portion of the country's cargo flows.

Significant events in 2013

- The region established a local office in Nyköping in order to bring its operations closer to its customers and the market.
- Large sections of the property Nattskiftet 11 in Västberga, Stockholm, were rebuilt into a cold and freezer storage facility for Grönsakshallen Sorunda.
- The property Terminalen 1 in Hallsberg, which houses a container terminal covering 25,850 square metres, was acquired.
- The property Dikartorp3:6 in Jakobsberg outside Stockholm was acquired. The 24,000-square-metre property, which is currently leased, will undergo improvement work carried out in cooperation with customers.
- Following the establishment of a regional office, the company intensified its focus on reducing vacancy rates.

Gothenburg Region

Gothenburg, Sweden's second largest city, serves as the centre of a region with a number of logistics-intensive towns, such as Borås, Jönköping and Gnosjö, all of which have thriving business communities. The city is also home to Sweden's largest port, making Gothenburg one of the most important locations in the country for incoming and outgoing cargo.

Significant events in 2013

- The final stage of the property Högsbo 21:2, commonly referred to as Preppen, was converted into a logistics property. After new leases are signed with the tenants, including DHL, the property, which comprises 64,800 square metres of floor space, will essentially be fully leased.
- A 7,300-square-metre, energy-efficient freezer storage facility was built at the property Backa 23:5 in Gothenburg. The excess

heat generated from the cooling system is used to heat the property, doors and loading platforms.

- Since the vacancy rate in Gothenburg is essentially existent and the demand for good logistics premises is high, the company is actively looking for new properties to develop.

Öresund Region

Öresund is the largest region in the Nordic countries with respect to population. It also serves as a gateway to the Continent. Major cargo flows for export, import or local consumption are transported via the Öresund Bridge and numerous ports located in the Swedish provinces of Skåne and Blekinge, as well as in Denmark

Significant events in 2013

- The region established a local office in Helsingborg.
- A new 14,400-square-metres logistics property was built for DHL at Köpingegården 1 in Helsingborg.
- In Helsingborg's Berga district, the 7,400-square-metre logistics property Krokabeln 17 was acquired. The property will be leased following improvement work.
- The logistics properties Lejonet 6 and 7, and Remmen 1 in Åstorp, which comprise a total of approximately 12,000 square metres, were fully leased by new tenants.

- Development continued on the logistics facilities Tostarp, located outside Helsingborg, and Sunnanå, located outside Malmö. The company owns construction-ready land in Tostarp, where it has already built a terminal, on which it plans to build approximately 100,000 square metres of additional space. Building work can begin in Sunnanå as soon as the detailed development plan has been approved, giving the company the potential to build a total of approximately 200,000 square metres of logistics premises.

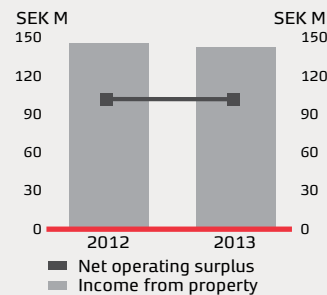
Projekt Solna

Projekt Solna primarily comprises the Haga Norra development property in Solna.

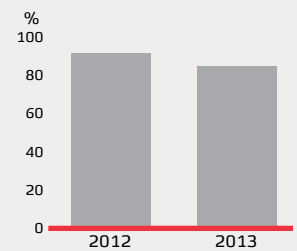
Significant events in 2013

- The property Stora Frösunda 2 was acquired indirectly through the reverse acquisition carried out in conjunction with Catena's acquisition of Brinova Logistik AB. The property, which comprises a development project in Solna, is now nearly fully leased. Once the detailed development plan is complete, our plan is to develop various types of residential and commercial premises.

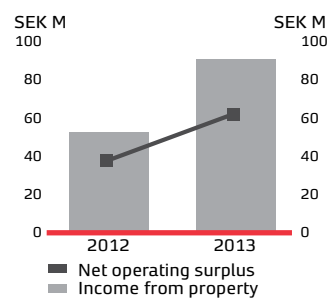
Key performance indicators	2013	2012
No. of properties	21	19
Lettable area, thousand sq.m.	293.1	247.4
Fair value, SEK M	1,883.7	1,625.2
Rental value, SEK M	191.0	174.0
Economic letting ratio, %	85.1	92.0
Surplus ratio, %	71.6	69.8
Contracted annual rent, SEK M	162.5	160.2
Income from property, SEK M	142.1	145.9
Net operating surplus, SEK M	101.8	101.9
Profit from property management, SEK M	77.1	71.4
Number of contracts	58	40

Income from property/
Net operating surplus

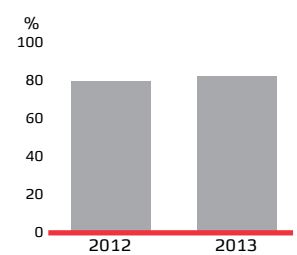
Economic letting ratio



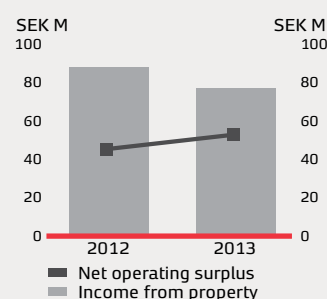
Key performance indicators	2013	2012
No. of properties	10	10
Lettable area, thousand sq.m.	184.4	177.1
Fair value, SEK M	1,152.3	1,055.2
Rental value, SEK M	116.9	108.2
Economic letting ratio, %	81.9	79.4
Surplus ratio, %	68.2	71.6
Contracted annual rent, SEK M	95.7	85.9
Income from property, SEK M	90.9	52.5
Net operating surplus, SEK M	62.0	37.6
Profit from property management, SEK M	47.2	80.0
Number of contracts	52	47

Income from property/
Net operating surplus

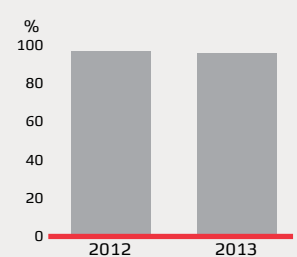
Economic letting ratio



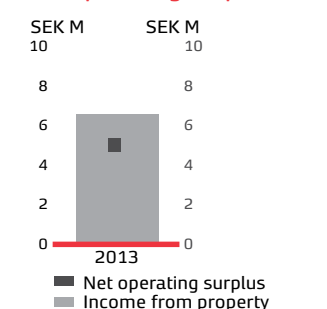
Key performance indicators	2013	2012
No. of properties	13	16
Lettable area, thousand sq.m.	172.4	151.3
Fair value, SEK M	801.3	702.0
Rental value, SEK M	84.4	74.0
Economic letting ratio, %	96.1	97.0
Surplus ratio, %	68.5	51.7
Contracted annual rent, SEK M	81.1	71.8
Income from property, SEK M	77.2	87.8
Net operating surplus, SEK M	52.9	45.4
Profit from property management, SEK M	41.9	26.9
Number of contracts	73	59

Income from property/
Net operating surplus

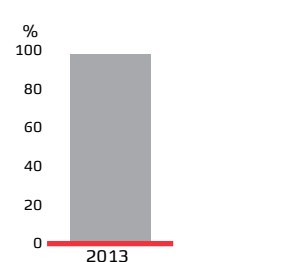
Economic letting ratio



Key performance indicators	2013	2012
No. of properties	1	-
Lettable area, thousand sq.m.	40.7	-
Fair value, SEK M	885.0	-
Rental value, SEK M	27.0	-
Economic letting ratio, %	97.8	-
Surplus ratio, %	70.0	-
Contracted annual rent, SEK M	26.4	-
Income from property, SEK M	6.6	-
Net operating surplus, SEK M	4.6	-
Profit from property management, SEK M	5.9	-
Number of contracts	4	-

Income from property/
Net operating surplus

Economic letting ratio



Portfolio of prime locations

The lease portfolio for the collective portfolio, which primarily comprises logistics properties, is long-term and tenants largely include well-established logistics companies.

At 31 December 2013, Catena's property portfolio comprised 44 logistics and warehouse properties located near key transport arteries in southern Sweden and one development property in Haga Norra in Solna. The total lettable area comprises about 690,000 square metres, of which 91% consists of logistics and warehouse premises. The remaining area mainly comprises office space. The total rental value amounts to SEK 419.3 million and contractual annual rental income, including rental discounts, totalled SEK 365.7 million. The economic letting ratio was 87%. Slightly more than 44% of the contractual rental income falls due in 2019 or later.

Property portfolio	2013	2012
No. of properties	45	45
Lettable area, sq.m.	690.6	575.8
Fair value, SEK M	4,722.3	3,382.4
Contractual annual rent, SEK M	365.7	317.9
Economic letting ratio, %	87.2	89.2

Lease structure

The lease portfolio is long-term and the majority of tenants comprise well-established companies, primarily logistics companies. At 31 December 2013, Catena's ten largest tenants accounted for approximately 73% of the Group's contractual rental income. However, it is worth noting that certain major customers have several contracting units. The leases for these ten tenants expire within one to 19 years. A table showing the maturity structure of the leases is presented on page 53.

Property portfolio

Investments and sales	2013	2012
Acquisitions, SEK M	1,125.6	523.7
Investments, SEK M	186.7	206.6
Divestments, SEK M	-3.3	-170.1

Property acquisitions in all regions were primarily conducted within the framework of the acquisition of Brinova Logistik AB. The company's investments mainly pertained to new construction work on the properties Köpingegården 1 in Helsingborg, and Backa 23:5 and Högsbo 21:2 in Gothenburg. During the year, a small number of minor properties were sold in order to streamline the operations.

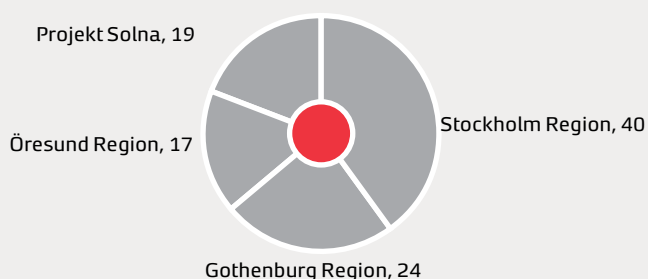
Approved investments

At 31 December 2013, Catena had approved, but not yet implemented, investments totalling SEK 81.4 million. All of the investments have been financed and payment has been made from existing funds.

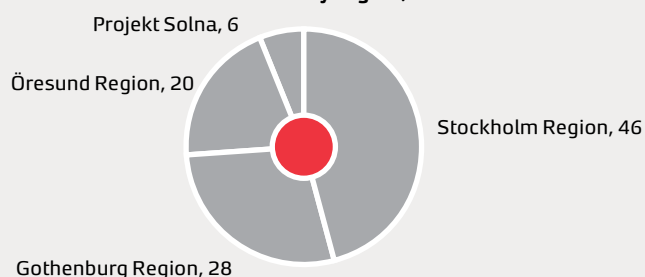
Property valuation

Combined with effective procedures, clear guidelines and a thorough approach create the right conditions for an accurate valuation of assets and stable earnings and financing. In line with most listed property companies, Catena has opted to recognise its investment properties at fair value, in accordance with IAS 40.

Property portfolio by region, %



Rental value by region, %



Catena performs quarterly internal valuations of all of its investment properties. These valuations, which are used to determine the fair values recognised in the balance sheet, are derived using a six-year cash-flow model for each individual property. The model is based on actual income and expenses, adjusted for a normalised future earnings capacity in terms of both income and expenses. When assessing the future earnings capacity, factors taken into account include the expected changes in the rent level based on the individual lease's current rent compared with the market rent for each date of maturity, and changes in letting ratio and property costs. The yield value has then been calculated in a cash-flow statement per property. The yield value includes the value of the assessed future payment flows over the next five years and the present value of the assessed value of the property in five years' time. The yield value has then been adjusted for the value of ongoing projects and land with unutilised development rights.

Changes in value of investment properties

To ensure the accuracy of the internal valuation, external valuations are normally carried out on a selection of our properties. However, external valuations were performed for the entire portfolio in the third quarter of 2013 due to the acquisition of Brinova Logistik AB.

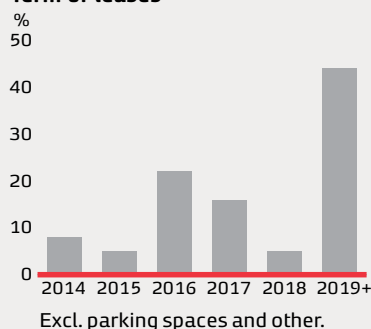
A degree of deviation is permitted between the internal valuation and the fair value before adjustment of the fair value is performed. The deviation should be in an interval controlled by a permitted deviation from the established yield requirement of +/- 0.25%. The fair value is only adjusted when the deviation exceeds the boundaries of this interval. This deviation is accepted since there is always an element of uncertainty in the estimated value.

A complete list of properties is available on pages 92-93.

Changes in value of investment properties, SEK M

Year	Opening unrealised values	Unrealised change in value according to income statement	Acquired unrealised change in value	Of which realised in 2012-2013	Outstanding unrealised values
2012	224.9	26.0	0.0	-0.1	250.8
2013	250.8	30.9	496.7	0.1	778.5
Total		56.9	496.7	0.0	

Term of leases



Ten largest tenants

1. DHL
2. Bilia AB
3. PostNord Logistik TPL AB
4. Grönsakshallen Sorunda AB
5. DS Smith Packaging AB
6. Lindab Sverige AB
7. Söderenergi AB
8. IKAB-Mailing Systems AB
9. Posten Logistik AB
10. Västberga Åkeri AB

Secured financing

Catena's financial strategy, mandate and risk taking are regulated by the Group's financial policy, as adopted by the Board of Catena.

The Group's treasury management, which is carried out by the Parent Company, Catena AB, ensures that funding and liquidity is secured, that payment systems are appropriate and that the Group's risk exposure is kept within the mandate decided by the Board. Catena has a policy that all borrowing should have a loan term of up to ten years. All borrowing is in SEK. The policy also states that, where possible, the fixed-interest term structure is to be adapted to the duration of leases signed. Consideration is also given to the current business plan for each property. To manage interest-rate risks, Catena uses financial instruments such as interest-rate swaps and interest-rate caps, as mandated by the Board.

At 31 December 2013, the holding of swaps amounted to SEK 1,087.6 million and the interest-rate cap was SEK 28.0 million. The average interest rate, including the cost for unutilised lines of credit and derivatives, amounted to 3.1%.

Equity and liabilities

The Group is financed through equity amounting to SEK 1,641.9 million (735.0) and liabilities totalling SEK 3,396.1 million (2,708.1), corresponding to a total equity ratio of 32.6% (21.4). Catena's long-term target is for its equity ratio to exceed 30%.

Liabilities to credit institutions

Liabilities to credit institutions at 31 December amounted to SEK 2,963.0 million (2,058.9).

All loans were renegotiated and approved by the company's creditors in connection with Catena's acquisi-

tion of Brinova Logistik. During the third quarter, Catena took over property financing under the credit framework with a tied-up capital period of 2.5 years.

At 31 December 2013, the credit framework totalled SEK 3,270.0 million. The remaining contracted credit facilities amounted to SEK 307.0 million, all of which can be utilised in existing valuations of properties.

Interest-rate risk

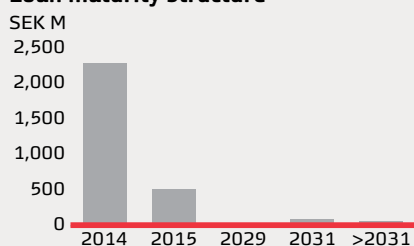
Catena has an interest-rate swap contracts totalling SEK 1,087.6 million at an interest rate of less than 3%. The nominal value of the interest-rate swap contracts at 31 December 2013 was SEK 4.4 million. For more detailed information regarding financial risks and how these are managed by Catena, refer to Note 18 for the Group.

Working capital and cash flow

According to Catena's assessment, the company has sufficient working capital to meet its needs over the coming 12-month period. The property management operations have limited tied-up working capital since income from property are normally paid in advance and the company pays most of its operating and interest expenses in arrears. Consequently, no working capital is normally available for financing.

Cash flow for the year amounted to SEK 213.4 million (0.1). Cash flow from operating activities for the period totalled SEK 181.9 million (102.8). At 31 December 2013, the Group's cash and cash equivalents amounted to SEK 213.6 million (0.2).

Loan maturity structure





Our responsibility

To establish a positive financial trend over time, we must act in a manner that is tenable for the people and natural world around us. Catena aims to be a company where people want to work and are given the opportunity to develop and where we strive to achieve low resource consumption and a limited environmental impact. The most obvious way of achieving this is by minimising the environmental impact of our properties, for example, by reducing energy consumption and utilising smart solutions for waste management. However, I believe that Catena has the potential to make an even greater impact by helping its logistics customers create more resource-efficient logistics flows based on renewable energy. This is also the foundation of our business concept – establishing logistics properties in optimal locations, thereby creating the potential for smart logistics solutions. We base our assessment of what constitutes a prime location on access to rail, road and water transport, as well as the property's proximity to major cargo flows. Smart logistics solutions may involve creating opportunities for small e-commerce players to share a large logistics premises or finding new solutions for city logistics. By focusing on various aspects of sustainability, we are able to reduce the environmental impact of goods distribution while at the same time boosting our customers' profitability.

Gustaf Hermelin, CEO

Catena's sustainability activities

Catena aims to be involved in creating positive social development. Our work focuses on minimising the environmental impact of our properties, establishing the conditions for more sustainable logistics and being an employer that offers development opportunities.

During the fourth quarter of 2013, shortly after Catena's acquisition of Brinova's logistics properties, we conducted an extensive stakeholder survey regarding our sustainability activities. During this process, the company's key stakeholders were asked to answer an online survey in order to identify the areas they consider most relevant to Catena's efforts to contribute to sustainable social development. The survey was sent to various internal stakeholders, including Catena's Board of Directors, management group and employees, as well as a number of external stakeholders, including the company's major tenants and suppliers. The results indicated a consensus with regard to the most important areas for Catena to prioritise:

- Create financial returns.
- Establish the conditions for logistics flows with a minimal environmental impact.
- Focus on energy efficiency and renewable energy.
- Offer training and skills development for employees.
- Aim for a low environmental impact in new builds and conversions.

All of the stakeholder groups responded with different combinations of these five areas ranked among their three most important areas, and all groups chose financial returns and minimal environmental impact as two of their top three priorities. All of the stakeholder groups indicated that they consider sustainability to be an important issue for Catena and that the area, if managed properly, could generate increased growth and profitability for the company and its customers.

Naturally, Catena's activities must generate a financial return – and the same is true for the company's sustainability work. This sustainability report describes Catena's work relating to three themes in the area of sustainability:

- A sustainable future requires sustainable logistics.
- Catena's environmental efforts.
- Organisation and employees.

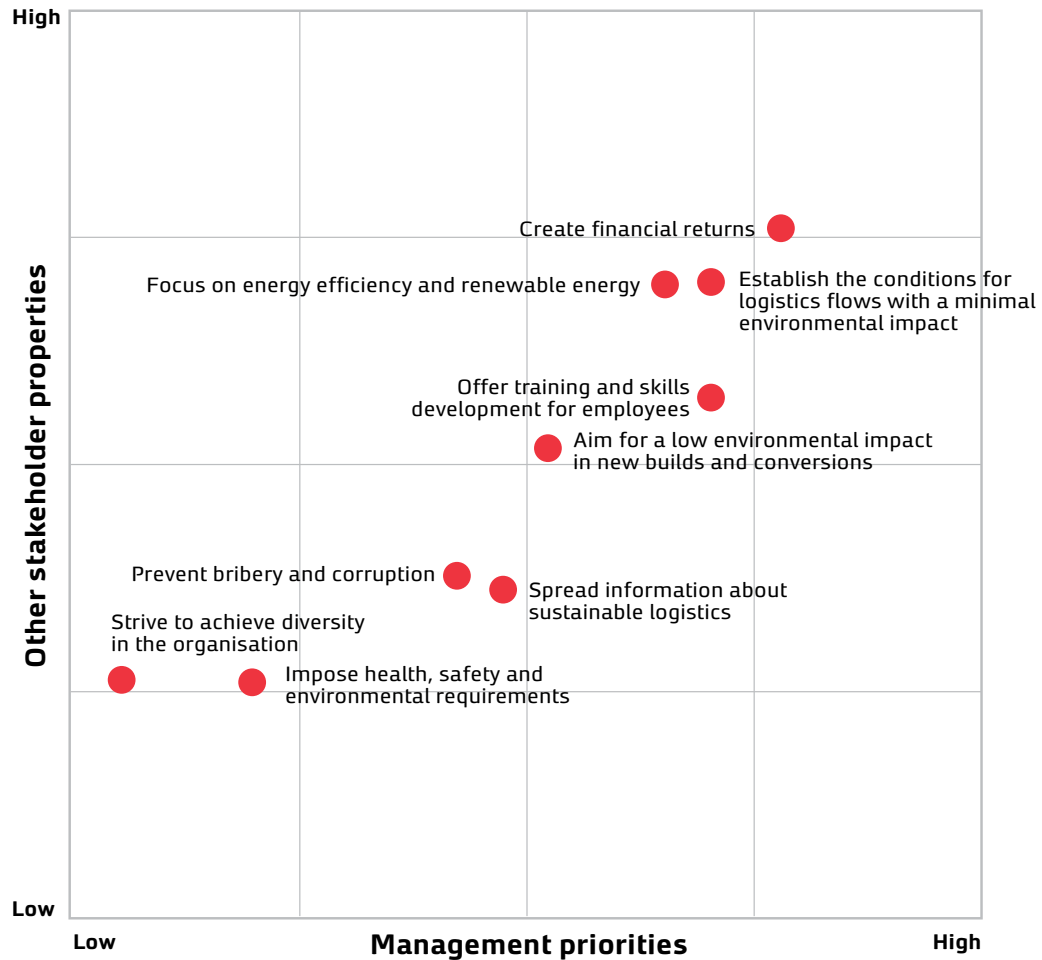


Sothönan 3, Katrineholm.

About Catena's sustainability report

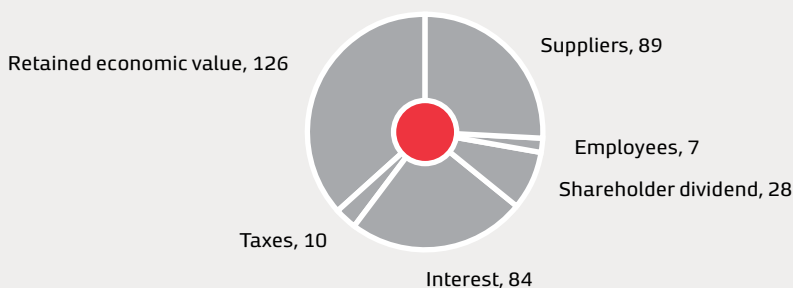
Catena's sustainability report was prepared within the framework of the Global Reporting Initiative (GRI), the world's most widely used sustainability reporting framework. The report was prepared in accordance with the GRI's new G4 guidelines and comprises a self-declaration at the Core reporting level.

All key performance indicators relating to energy consumption and greenhouse gas emissions pertain to full-year 2013 and have thus been calculated on a pro forma basis, where necessary. Visit www.catenafastigheter.se for more information on the contents of the report, as well as the company's assumptions, limits and GRI index.



The diagram above shows the level of priority assigned to various areas by management and various other stakeholder groups when asked to rank which areas are most important for Catena. The areas at the top-right of the diagram were ranked highest by both management and other stakeholders. The ranking by other stakeholders was determined by assigning an equal share of the results to each of the four stakeholder groups: Board of Directors, customers, suppliers and employees.

Created and distributed economic value, SEK M



The diagram to the left shows how the company's income in 2013 was distributed among various stakeholder groups. The total value created in 2013 amounted to SEK 344 million.

A sustainable future requires sustainable logistics

Transport is becoming increasingly important in today's globalised world. A large share of our domestic consumption is produced in other countries and our domestic production is largely being exported to various markets worldwide. This is resulting in an increased need for more resource-efficient logistics, which Catena aims to meet by acting as a central player with premises in right locations.

Container terminals optimise cargo flows

A large, growing portion of Catena's premises are located in areas with access to container terminals. This means that the properties are located near several forms of transportation, usually with various combinations of roads, railways, ports and dry ports. When a logistics property is located near a container terminal, tenants have greater opportunities to optimise their transport, regardless of whether the goal is to reduce costs, minimise their environmental impact or shorten their transport time.

When transporting over long distances, it is often profitable to transport goods by water or wail. For shorter distances, various types of road transport become more suitable since they offer greater flexibility. Air transport is often the most expensive and environmentally destructive alternative, but is nevertheless used when transport time is a crucial factor.

While road transport still accounts for 80% of all transport in Sweden, an increasing share of rail transport is commonly discussed in both business and political contexts. Provided that the trend toward a sharp increase in transport continues, rail transport will probably need to be utilised to a larger degree at both the national and international level. Rail transport is significantly more energy efficient than road transport, which entails a smaller environmental impact and the potential for improved cost efficiency.

International transport

A clear trend throughout Europe is that an increasing proportion of transport is now taking place by rail rather than by road. There are several reasons for this trend: road networks are becoming more heavily trafficked, demands for improved working conditions for commercial drivers are resulting in higher costs and there is always a risk of

delays. At the same time, Europa's railway system has become more integrated and it is becoming more common for companies to combine rail and road transport. Overall, the costs and risks associated with rail transport have declined – and as society becomes aware of the lower environmental impact of this alternative, more companies are opting to use rail transport instead of road transport. Catena's properties are strategically located to create the right conditions for the optimal use of various types of transport.

Rail transport has also started to replace transport by boat. The single most important reason for this is the transportation opportunities offered by the Trans-Siberian Railway. In the past, technical and political challenges meant that rail transport between Europe and Asia was a



costly and risky alternative. Conditions have improved dramatically in recent years and more global companies have opted to use rail transport for all or part of their inter-continental logistics. Catena's vision for Karlshamn is largely based on the increase in transport on the Trans-Siberian Railway. Companies that establish warehouses in Karlshamn have excellent opportunities to transport their goods by boat to Kleipeda, Lithuania, where they can be transported onward to Asia by train using the Trans-Siberian Railway. In this way, Karlshamn serves as Sweden's gateway to the Trans-Siberian Railway.

City logistics

When it comes to transporting goods in city environments, trains and boats are no longer an alternative – although using the underground and other rail solutions may be a viable solution for distributing goods in the future. For Catena, city logistics involves ensuring that road transport in city environments is as efficient as possible. The traffic situation in many Swedish cities has become difficult since passenger traffic and commercial traffic are forced to share limited road space. This has resulted in ineffective logistics from a cost, time and environmental perspective. This

traffic situation also causes drivers of both passenger and commercial vehicles to become irritated and thus could potentially increase the risk of personal injury.

We believe that smart solutions for city logistics could improve the situation for everyone involved. Building warehouses and transshipment terminals in strategic locations outside major cities will help increase capacity levels and shorten transport routes. In some cases, this will involve using smaller transport vehicles for shorter distances, and in others, a higher degree of consolidated shipment, better route planning and improved cooperation between various players. While each situation is unique, we have ample opportunities to improve the efficiency of logistics in Sweden's major cities.

The property Ättehögen 2 in Jönköping is located along the E4 motorway, providing the logistics property with a prime location.



Catena's environmental efforts

The key environmental aspects for Catena's internal environmental efforts are the properties' energy consumption and its consequential environmental impact. To manage our environmental impact, Catena has an ISO 14001 certified environmental management system in place.

Catena has identified five areas where operations have a significant environmental impact:

- Electricity consumption.
- Heating consumption.
- Coolants.
- Choice of materials for new builds and conversions.
- Waste management.

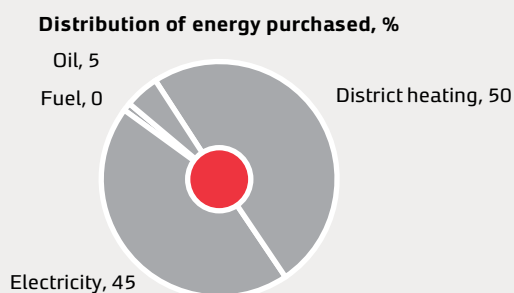
Overriding environmental targets and business goals exist for these aspects that are monitored and evaluated on an annual basis. Catena has internal managers at regional level and engages external contractors for the practical work on site. Catena's managers and the external contractors conduct regular meetings with our tenants to discuss items including development projects and environmental initiatives. In 2014, regional managers and contractors will receive training in the environmental management system to further enhance control of our environmental efforts.

Environmental policy

Catena's environmental policy states that we will always:

1. Strive to outperform environmental legislation.
2. Strive to minimise the use of energy, water, waste and material.
3. Strive to minimise the use of products that are hazardous to health and the environment.
4. Strive to work together with tenants to reduce environmental impact.

A tool for placing focus on and enhancing the environmental performance of buildings is to work with environmental certifications for buildings. Catena is a member of the Sweden Green Building Council network and can offer environmentally-certified buildings under all recognised standards for those customers who want green certification. In 2014, we are working with Green Building certification of one of our properties in the Öresund region and we welcome more such requests from customers



Haga Norra comprises a major and crucial development project for us where we place heavy emphasis on energy-saving solutions.

Energy use

In pace with rising energy prices and increased awareness of environmental impact, our customers are increasingly requesting premises with low resource consumption. Standard practice with logistics properties is for the tenant to be directly responsible for the supply of both heating and electricity, which means that collaboration between Catena and our tenants is necessary for a low resource consumption at the properties.

In 2013, Catena implemented several projects aimed at reducing electricity and heating consumption for specific tenants. In several of the projects, the tenant was directly responsible for energy supply and, therefore, we designed the investment in partnership with the customer to ensure Catena participated in the energy saving. The most common and profitable measure to reduce energy consumption is the installation of new light fittings and low-energy lighting – this measure normally has a payback time of less than three years. Other possible measures are additional insulation and various solutions to reduce energy loss through the buildings' entrances.

Another example of green measures that Catena can provide are solutions for renewable and locally produced energy in the form of solar cells and heat pumps. In 2013, we opened a newly built freezer storage facility where, in partnership with the customer, we installed solar cells as part of the building's energy supply. In addition, surplus energy in the cooling system is used to heat the yard in front of the entrances to keep it free of snow and ice. For customers who like to be at the forefront we can offer more extensive solutions with buildings that are, essentially, self-sufficient in terms of energy.

The sustainability report presents statistics for energy purchased by Catena. The purchased energy is reported



separately depending on whether it has been sold on or not based on standard rates for separately depending on whether the resold or not and whether it sold based on standard rates or individually measured and paid for separately by the respective tenant. This distinction is particularly relevant as individually measured energy consumption provides the tenant with full control, whereas standard rates mean that, to a greater degree, Catena has control. At present, we have no reliable statistics for energy use in those properties

Purchased energy, MWh	2013
Oil	1,168
District heating	13,311
Electricity	12,091
Fuel (Petrol, diesel, E85 & vehicle gas)	98
Total	26,668
<i>Of which renewable energy</i>	<i>58%</i>
Sold to tenants	26,570
Of which sales with individual meters	13,289
Percentage of energy sold with individual meters	50%

The table shows the energy purchased by Catena and sales of energy distributed between standard rate and individually measured sales.

where tenants themselves are responsible for purchasing electricity and heating. Since clear statistics comprise a key prerequisite for enhancing the energy-performance of premises, we endeavour to integrate customers' energy statistics in our own system.

Greenhouse gas emissions

Catena monitors the greenhouse gas emissions of operations in line with the Greenhouse Gas Protocol (GHG Protocol), which is the most widely used international tool for making voluntary greenhouse gas emission inventories of organisations. In 2013, Catena's total greenhouse gas

emissions were 6,506 tonnes of CO_{2e}, of which 99% arise from energy purchased.

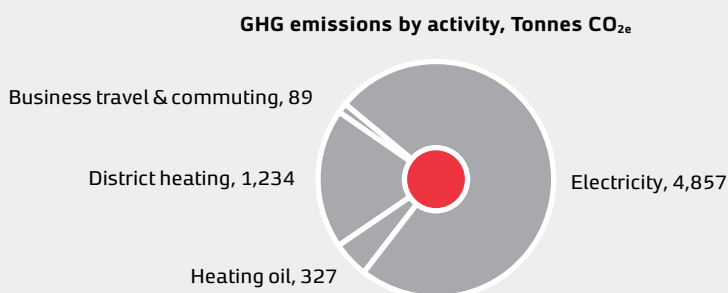
Emissions from business travel and commuting

Environmental impact arising from our employees' business travel and commuting is extremely minor in relation to the environmental impact of energy use in our properties. Based on the last three months of this year, estimated results for business travel and commuting over the full year were 89 tonnes of CO_{2e}. Of these emissions, 31 tonnes of CO_{2e} were attributable to our employees' commutes.

Greenhouse gas (GHG) emissions by scope

	Direct GHG emissions (Scope 1)	Indirect GHG emissions (Scope 2)	Other indirect GHG emissions (Scope 3)
Description	Emissions resulting from combustion in the company's plants or vehicles. Since the limited amount of heating oil purchased is invoiced on to tenants based on actual consumption, it is included under Scope 3. Accordingly, the only emissions under Scope 1 pertain to the combustion of fossil fuel in the Catena's company cars.	GHG emissions that arise from the production of electricity and district heating and cooling that is purchased by Catena and used in the properties we own. The energy that is invoiced on to tenants based on actual consumption is included under Scope 3.	Other indirect GHG emissions arising from the company's operations. Catena reports emissions from electricity and heat bought in by Catena but consumed by tenants with separate individual metering of consumption. In addition, emissions are reported from business travel that does not comprise driving company cars or employees' commuting.
Emissions in 2013 (Tonnes CO_{2e})	25	4,000	2,481

Under the GHG Protocol, a company's emissions are divided in to three separate sectors, also known as scopes. The table shows Catena's GHG emissions for 2013 allocated according to the respective scope.



Purchasing and collaboration with suppliers

Catena has very few employees in relation to the number of properties the company owns, which means that business partners and suppliers are key parts of our ongoing operations. This applies equally for new build and conversion projects under Catena's management. Therefore, it is important that suppliers have well-functioning environmental efforts. Catena only uses direct suppliers based in Sweden and, accordingly, our supplier requirements and assessments have been adapted based on local conditions.

In supplier assessments we primarily require environmental management systems certified under ISO 14001, but local suppliers are often smaller companies with insufficient resources to develop and certify comprehensive management systems. Accordingly, to allow the use of local suppliers in parallel with taken responsibility for environmental impact, Catena offers suppliers a simpler system to take note of environmental aspects in their operations. This system provides smaller suppliers with the possibility of working in similar ways as to ISO 14001, with guidelines, targets and training – but at a significantly

Water consumption (kbm)	2013
Purchased by Catena for properties	42,566
Total	42,566
Sold to tenants	42,566
Of which sales with individual meters	3,144
Percentage of water sold with individual meters	7%

The table above shows Catena's purchases of municipal water and sales of water divided into standard and metered sales.

lower cost. In this way we support local businesses in parallel with increasing their environmental competence.

In addition to standard supplier requirements, for any construction project exceeding SEK 5 million, we require the preparation of an environmental plan. For contracts exceeding SEK 250,000, we require systems for assessing and following up the construction materials used. Suppliers must use one of the three most common systems for assessing construction materials – Byggvarubedomningen (BVB), SundaHus Miljödata or BASTA. For simpler projects carried out by local contractors, Folksam's green construction guide can be used.

Property Backa 97:10 in Gothenburg has an excellent location close to the E6.



Organisation and employees

Catena has a small but effective organisation comprised of individuals with substantial industry experience and strategic competence. This enables us to quickly identify and understand our customers' needs and then translate these into reality. We strive to promote an informal and open corporate culture.

Values steered business-minded approach

Good relations with internal and external stakeholders are key to Catena's success. The keys to balanced and successful stakeholder relations are good business ethics and a business-minded approach and, accordingly, our interaction in the relationships we have in our operating environment are imbued with our following four core values:

- Openness, dialogue and straightforward communication, which will make us efficient, prompt and reliable.
- Simplicity, which means that our work approach is straightforward and avoids bureaucratic red tape.
- Proximity, which permits us to create good relations and gain an insight into problems and opportunities.
- Genuine commitment, which permits us to go further in identifying superior solutions.

Our business decisions must always be defensible, from both a financial and an ethical perspective. Our property management and project development comply with the valid procurement legislation and other applicable rules required by the industry. As part of promoting correct

behaviour, we apply the property industry's code of practice based on ethical principles and which describes expectations of our own employees and our partners.

Catena as a workplace

Catena's employees lay the foundation for our success. To be able to attract, retain and develop the competence needed, Catena has placed high priority on being an attractive employer. We prioritise and encourage skills development and a stimulating working environment. Our employees should feel that there is a balance between work and leisure and feel able to manage their own time, take responsibility and develop as individuals. All employees at Catena are covered by collective agreements.

At the end of 2013, we carried out an employee survey, whereby all employees were able to express views of Catena as a company, our environmental efforts and our role as an employer. The employees rated Catena highly as an attractive employer, 4.4 on a scale of one to six.

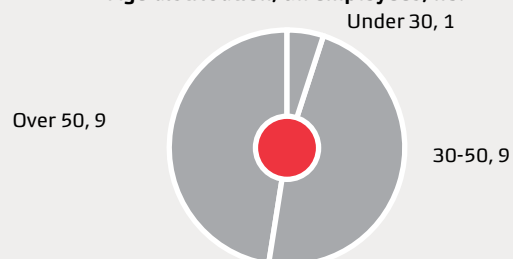
The percentage of women at Catena was 37% at the end of 2013. At the end of 2013, Catena had 19 employees, of which all were full-time permanent employees. The management group comprises five individuals and no women, of the other 14 employees seven are women. Of the six members of the Board one is a woman.

We regard competence, experience and personal quali-



Mosås 4:66, Örebro.

Age distribution, all employees, no.



ties as being crucial factors for a position in the company, which means that we do not discriminate favourably or unfavourably based on aspects unrelated to the capacity of employees to carry out their work.

Skills development

Through actively working with employees' skills development Catena continues to develop. All our employees are given a wide range of possibilities for choosing training, courses and seminars they wish to participate in on Catena's account.

Personal development plans are prepared in conjunction with the annual employee dialogues carried out with all employees. Core and prioritised areas are law, accounting, management issues and the environment. Catena's positive approach to skills development is appreciated and comprises a key element of being an attractive employer. In parallel, it means our customers can feel secure that they have a business partner with up-to-date and competent employees that are continuously driven by the will to learn new things.

Employee turnover, no.

2013

New employees during the year	Total	Of which, men
Under 30	1	0
30–50	9	5
Over 50	9	7
Total	19	12

Individuals who left during the year

Under 30	0	0
30–50	0	0
Over 50	2	2
Total	2	2

The table above illustrates the number and percentage of new employees and people who left the company. All new employees were hired in connection with the acquisition of Brinova's logistics properties.

Sickness absence

2013

Average for all employees	0.2%
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The table above illustrates sickness absence as a proportion of the planned number of working hours. No work-related injuries, accidents or illnesses were reported.

Hours of training per person

2013

Management	2
Other Employees	3
Training hours/person, women	5
Training hours/person, men	2

The table above shows the average number of training hours per employee. Note that the figures pertain to training in the fourth quarter of 2013.

Gender distribution, all employees, no.



Törsjö 2:49, Örebro.

Risks and opportunities

All business operations entail risks and opportunities. As part of minimising risks while taking best advantage of opportunities, Catena has a number of policies in place in addition to a well-developed control system for following up operations.

Risk

Management

Exposure

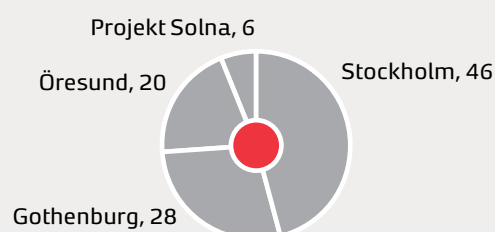
Income from property and expenses

Vacancies

The letting ratio is influenced by factors including general economic conditions, the pace of production for new properties, infrastructure changes as well as population growth and employment. Changes in these factors can impact vacancy rates and rent levels.

The majority of Catena's properties are located at key logistic hubs by ports and along the major European motorways. This makes Catena less sensitive to market fluctuations and their impact on the overall letting ratio.

Rental value by region, %

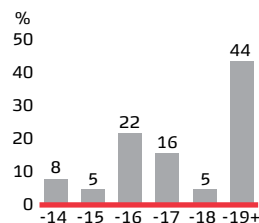


Cancelled leases

When a tenant vacates a property, there is a risk pertaining to the length of time that elapses before a new tenant is in place. The risk of substantial changes in vacancies and income from property increases in line with the number of individual major tenants a property company has.

Through close collaboration with customers, the risk of unexpected termination of leases is reduced. Catena's lease portfolio pertains primarily to logistics properties and is relatively long term. New leases on these property types are generally signed for a term of more than five years.

Duration of leases

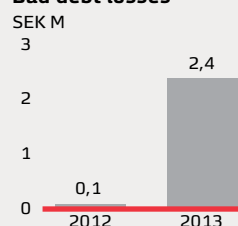


Bad debt loss

Commercial tenants are not always able to discharge their obligations.

Risk decreases through a solid understanding of customers. In certain leases, tenants' obligations are guaranteed by a parent company or by way of bank guarantees, accordingly, Catena's bad debt losses have been marginal over the past five years.

Bad debt losses



Increased operating and maintenance costs

Earnings can be impacted if increases in Catena's operating and maintenance costs outpace growth in compensation to Catena in the form of contractual rents. Unforeseen and extensive renovation needs can also negatively impact earnings.

To counter these effects, Catena works continuously with identifying cost-efficient solutions, not least in the area of energy. Leases for logistics properties are normally linked to the Consumer Price Index (CPI). Any unforeseen renovation needs should primarily only arise for damage, for which Catena has arranged insurance solutions.

Leases with terms exceeding three years normally have an indexation clause. Customers normally pay the operating costs. The earnings impact of increased property expenses is presented in the sensitivity analysis on page 39.

Risk**Management****Exposure****Income from property and expenses, cont.****Increased ground rents**

Ground rents are periodically renegotiated and there is no guarantee that the ground rent will not increase at the respective renegotiation, which can negatively impact Catena's earnings.

In some cases, increases are offset through indexation in the lease with the tenant, or in the renegotiation thereof.



A total of 16% of the Group's total square meterage is owned as leaseholds.

Key individuals

The company has a relatively small organisation, which means a relatively high dependency on individual employees. To a great degree, Catena's future development depends on the knowledge, experience and commitment of the senior management and other key individuals.

All of Catena's executives have extensive experience of the property sector. Ongoing dialogues and development together with market terms contribute to low employee turnover. Furthermore, excellent prerequisites exist for successful succession for key individuals

Age distribution of company management, number

	Men	Women
Under 40	0	0
40-50	1	0
50-60	3	0
Over 60	1	0
Total	5	0

Disputes

It cannot be excluded that Catena may become involved in a legal dispute or arbitration proceedings that have significant impact on Catena's earnings or financial position.

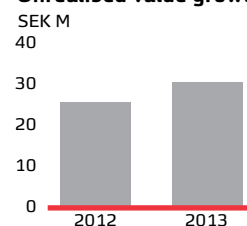
The risk of disputes is reduced through diligently prepared contracts and agreement.

Over the last three years, Catena has not been involved in any significant disputes.

Changes in value**Changes in property values**

Catena reports its property portfolio at its assessed market value. This means that changed market values as a result of changed rent levels and vacancy rates, changed yield requirements and detailed development plan processes, etc., will impact Catena's earnings and balance sheet

Payment of reasonable acquisition prices, the number of properties and, in particular, a thorough analysis based on extensive experience reduces the risk of impaired property values, which is also balanced by the favourable earnings potential. Catena consistently values its property stock internally each quarter. The entire portfolio was valued by external appraisers in 2013. The external valuations and completed transactions confirm Catena's internal valuations.

Unrealised value growth

Risk

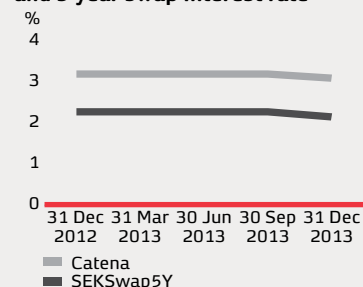
Management

Exposure

Changes in value, cont.**Changes in the value of financial instruments**

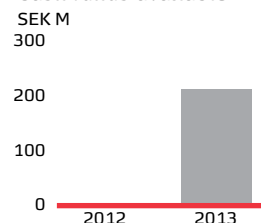
Catena has a large proportion of loans with short fixed-interest terms. As part of managing interest-rate risk, Catena utilises financial instruments in the form of interest-rate derivatives, primarily nominal interest-rate swaps. Interest-rate derivatives are recognised on an ongoing basis in the balance sheet.

In pace with changes in market interest rates, theoretical positive or negative values arise that do not impact cash flow. Positive or negative values are recognised in the balance sheet.

Catena's average interest rate and 5-year swap interest rate**Financing risks****Liquidity risk**

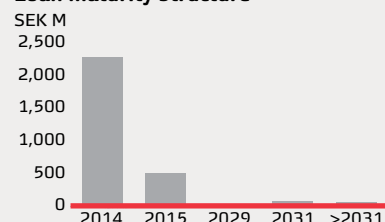
This is defined as the risk of not having access to the liquid funds or credit facilities necessary to meet payment obligations, which can negatively impact Catena's earnings and financial position.

At the closing date, Catena had unutilised lines of credit totalling SEK 307.0 M.

Cash funds available**Refinancing**

The properties and shares owned by Catena are financed by a combination of loans and equity. The majority of financing comprises bank loans. There are no guarantees that existing credit providers will renew loans when they fall due.

The Group's financial policy stipulates how funding and liquidity is to be secured. Borrowing takes place in Swedish currency using a fixed-loan term of one to ten years. At 31 December 2013, the existing credit framework totalled SEK 3,270.0 million. Unutilised credit facilities amounted to SEK 307.0 M.

Loan maturity structure**Interest**

Catena's single largest cost item is interest, which can vary over time. These changes can substantially impact Catena's earnings. Property values are also impacted by raised interest rate levels.

Catena's properties have been financed at market interest rates and financing costs are partly secured through derivatives. Fixed-interest terms are set in line with the duration of the lease, the type of property and with reference to the current business plan for the respective property. Catena expects to be able to maintain a low interest rate level that follows changes in the market with a time lag. Derivatives are detailed in Note 18 for the Group.

Interest maturity year

Year	SEK M	Effective interest rate, % ¹	Share, %
2014	1,963.0	2.6	66.2
2021	500.0	4.3	16.9
2022	500.0	3.7	16.9
Total	2,963.0	3.1	100.0

1) Average interest rate, taking into account the contractual interest-rate swap and interest-rate cap agreements.

Risk**Management****Exposure****Indemnity risk****Acquired environmental damage**

According to the Swedish Environmental Code, those who conduct operations that contribute to contamination are responsible for the ensuing treatment and remediation thereof. If the party that has conducted such operations cannot carry out or defray the cost of subsequent treatment and remediation, then the party that acquired the property – and who at the time of acquisition was aware of or should have been aware of the contamination – is liable.

Prior to each acquisition, Catena conducts a thorough analysis and risk assessment.

No complete investigation of possible environmental contamination in the property portfolio has been carried out. It cannot be precluded that environmental contamination exists that could result in costs and/or claims for compensation on Catena.

Injury to person or property

Property belonging to Catena can be destroyed by fire, theft or other damage. Similarly, through, for example, negligence Catena can cause injury to another person or another person's property.

Insurance has been contracted to cover any liability or property damage claims. The properties are covered by unlimited buildings insurance.

Over the last three years, no company in the Catena Group has had any significant insurance claim.

Sensitivity analysis

The table on the right presents the theoretical effect on pre-tax profit of Catena's annual earnings capacity after financial items with full disclosure of an isolated change in each variable.

Sensitivity analysis

Factor	Change, %	Earnings effect, SEK M
Contractual income from property	+/-1.0	+/- 3.7
Economic letting ratio	+/-1.0 percentage point	+/- 4.2
Interest on interest-bearing liabilities	+/-1.0 percentage point	-/+ 29.6
Property expenses	+/-1.0	-/+ 0.7
Change in value of investment properties	+/-1.0	+/- 47.2



Responsible corporate governance inspires trust

Responsible corporate governance is key to the confidence of owners and all other stakeholders in the business. Naturally, it is of particular importance when two businesses merge. Only then, can all the good intentions behind Catena's acquisition of Brinova Logistik AB be realised and business activities developed. Therefore, it is gratifying in my capacity as Chairman to already be able to confirm that we have a well-balanced Board that functions well with the executive management. This means that we can make rapid, but well-founded decisions and create the trust that is so crucial to our short-term and long-term success.

Henry Klotz , Chairman of the Board

All business decisions at Catena must be justifiable from a financial and ethical perspective.

Through transparency and availability we provide our shareholders and other stakeholders with insight into decision paths, responsibility, powers and control systems. The information we provide must be correct, reliable and up to date.

Corporate governance

Catena is a Swedish public limited liability company listed on NASDAQ OMX Stockholm. The applicable regulations for governance and control of the Group are primarily the Articles of Association, the Swedish Companies Act, the Swedish Annual Accounts Act, OMX Nordic Exchange Regulations, the Swedish Corporate Governance Code, internal guidelines and policies, as well as other applicable laws and regulations. Catena's Board and executive management endeavour to ensure that Catena complies with the requirements imposed by the stock exchange, shareholders and other stakeholders. The Swedish Corporate Governance Code (the "Code") is aimed at ensuring favourable conditions for active and responsible ownership. It is based on the principle of comply or explain. Deviations from the Code must be justified and explained. This Corporate Governance Report describes how Catena applied the Code during 2013.

Annual General Meeting

The Annual General Meeting (AGM) is the company's highest decision-making body. At the AGM, all shareholders are provided with opportunity to exercise influence over the company corresponding to their respective shareholdings. The AGM appoints the Board and auditors and adopts principles for the remuneration of the Board, auditors and Group management. When necessary, the AGM also makes decisions on items including the Articles of Association, dividends, and changes in share capital. At the AGM, which must be held within six months of the close of the financial year, resolutions must be passed on the adoption of the balance sheets and income statements, the appropriation of Catena's profit or loss and the discharge of responsibility of the Board and the CEO.

Annual General Meeting, 24 April 2013

At Catena's AGM 24 April 2013, the company's balance sheet and income statement were adopted, as was the Board's proposed appropriation of profits of SEK 11,564,500, corresponding to a dividend per share of SEK 1.00. The AGM resolved that the number of Board members should total five (five) and to re-elect the Board

members Henry Klotz, Christer Sandberg, Lennart Schönning and Bo Forsén as well as elect Katarina Wallin as a new member for the period until the next AGM. Henry Klotz was elected Chairman of the Board.

The AGM also resolved to adopt guidelines for remuneration to Catena's senior executives. Furthermore, the AGM resolved that fees to Catena's auditors be paid according to approved invoices on an ongoing basis.

Extraordinary General Meeting 23 September 2013

At the Extraordinary General Meeting of Catena on 23 September 2013, the Board's proposal for a new share issue as part of the acquisition of Brinova Logistik AB was passed. The Meeting resolved that the number of Board members should total six (six) and to elect Erik Paulsson, Andreas Philipson and Gustaf Hermelin as new Board members and to re-elect Henry Klotz, Bo Forsén and Katarina Wallin for the period until the next AGM. Henry Klotz was elected Chairman of the Board. Christer Sandberg and Lennart Schönning declined re-election.

Remuneration of Board and senior executives

In line with the decision of the AGM on 24 April 2013, the Chairman of the Board receives SEK 200,000 and other members SEK 100,000 each. No directors' fees are payable to the CEO. Salary, other remuneration and pension premiums for the CEO and other senior executives are presented in Note 8 of the Annual Report. No variable remuneration was paid to Catena's CEO or other senior executives in 2013.

Nomination Committee

The Nomination Committee is tasked with preparing and submitting proposals for the Board, Chairman of the Board, directors' fees, policies for appointing the Nomination Committee, the Chairman at the AGM and, when applicable, auditors and auditors' fees.

The ownership structure changed in conjunction with the acquisition of Brinova Logistik AB and the new issue of shares in Catena, which brought about a new composition of the Nomination Committee based on ownership at 18 October 2013. Thereafter, the Nomination Committee comprised: Henry Klotz appointed by CLS Holdings plc., Åsa Bergström appointed by Fabege AB, Svante Paulsson appointed by Backahill Kil AB and Klas Andersson appointed by SFU Sverige AB. The Chairman of the Nomination Committee is Åsa Bergström, while the Chairman of the Board Henry Klotz convenes the meetings.

Board of Directors

The Board's overriding task is to manage the Catena's and the Group's activities on behalf of the owners in a way that best secures the owners' interest in a favourable long-term return on capital. The members are elected annually at the AGM for the period up to the end of the following AGM. The Board's work is carried out in compliance with statutory provisions, the Articles of Association and the formal work plan. The formal work plan is discussed at the statutory Board meeting and is set annually.

The composition of the Board includes expertise and experience from the areas that are of major importance as part of efforts to support, monitor and control operations in a property company. Board members have expertise in properties, the real estate market, and financing and business development, for example.

In accordance with the Articles of Association, Catena's Board is to comprise not fewer than five and not more than nine members with no deputies. Catena's Board comprises six members who were elected at the Extraordinary General Meeting (EGM) on 23 September 2013. The EGM resolved to re-elect Henry Klotz, Bo Forsén and Katarina Wallin as members and to elect Erik Paulsson, Gustaf Hermelin and Andreas Philipson as new members. Henry Klotz was elected Chairman of the Board. The mandate for all of the Board members runs to the end of the next AGM. For further information about the Board members, please refer to the section "Board, senior executives and auditors".

The work of the Board of Directors

The Chairman of the Board is responsible for leading the work of the Board in an efficient and appropriate manner. In addition to leading the work, the Chairman monitors the Group's ongoing developments through contact with the CEO on strategic issues. During 2013, ten minuted Board meetings were held, two of which were statutory. The Group's CEO served as the Board secretary until the acquisition of Brinova's logistics properties. Thereafter, the CFO has served as the Board secretary. In addition to the above items, Board meetings have addressed plans and strategies for the Group's development and the ongoing follow-up of results and position, valuations of the Group's properties, liquidity and financing as well as investment decisions.

Catena's auditor in charge Lars Wennberg, PwC, was called in to the Board meetings in February and November.

Formal work plan

The Board of Catena works in accordance with a formal work plan consisting of instructions in respect of the division of duties and financial reporting. The formal work plan represents a complement to the provisions of the Swedish Companies Act and Catena's Articles of Association and is reviewed annually. The Board also assesses the CEO's work performance. The CEO does not attend this assessment.

The Board is responsible for continuously monitoring and controlling Catena's operations. Consequently, it is the

Attendance in 2013 – Board of Directors

Meeting date	Type	Henry Klotz	Bo Forsén	Andreas Philipson	Katarina Wallin	Erik Paulsson	Gustaf Hermelin	Lennart Schönning	Christer Sandberg	Jan Johansson	Auditor
											Lars Wennberg
21 Feb	R	X	X					X	X	-	X
24 Apr	R	X	X					X	X	-	
24 Apr	S	X	X		X			X	X		
8 Aug	R	X	X		X			X	X		
8 Aug	E	X	X		X			X	X*		
13 Sep	S	X	X		X						
23 Sep	E	X	X	X	X	X	X				
27 Sep	E	X	X	X	X	-	-				
6 Nov	R	X	X	X	X	X	X				X
9 Dec	ET	X	X	X	X	X	X				

S=Statutory. R=Regular. E=Extra. ET=Extra telephone meeting.

* Item 5 via telephone.

Andreas Philipson attended all meetings, and up until the meeting on 23 September as CEO.

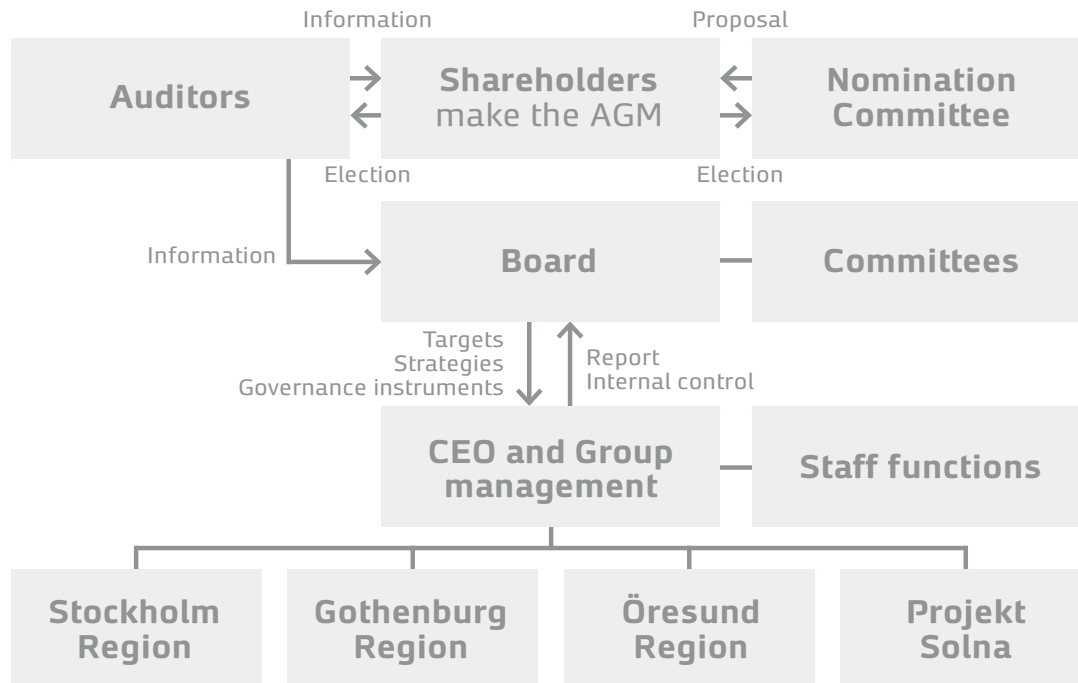
Erik Paulsson and Gustaf Hermelin attended the meeting on September 13 but not as Board members.

Erik Paulsson and Gustaf Hermelin did not attend the meeting on 27 September due to conflict of interest.

At the regular meeting held on 24 April 2013, Jan Johansson stepped down from and Katarina Wallin joined the Board.

At the extra meeting held on 23 September 2013, Lennart Schönning and Christer Sandberg stepped down from and Erik Paulsson, Andreas Philipson and Gustaf Hermelin joined the Board.

Audit Committee – the entire Board. Remuneration Committee – the entire Board until 23 September 2013, thereafter the Committee comprised Henry Klotz (Chairman), Bo Forsén and Katarina Wallin.



duty of the Board to ensure there is a functioning reporting system.

Regular reports concerning Catena's and the Group's economic and financial position, current market issues, project reporting, and, in certain cases, underlying information for investment decisions and property sales, are presented at Board meetings.

In addition to being responsible for Catena's organisation and administration, the Board's key task is to make decisions on strategic issues. Each year, the Board sets the overall goals for the Group's operations and decides on strategies to attain these goals. The CEO's instructions and internal policy documents are also reviewed annually.

Auditor

Catena's auditors are elected at the AGM. The 2012 AGM elected registered public accounting firm PwC as the new auditor with auditor in charge Lars Wennberg for a period of four years. The auditor reports the results of his examination to the shareholders in the auditor's report. This is presented at the AGM. In addition, the auditor presents a detailed report to the Board twice annually. In conjunction with this report, a discussion is also held concerning the observations of the audit. In addition to auditing, PwC has also provided services in the areas of taxes and accounting.

Fees are paid according to approved invoices on an ongoing basis.

CEO

The CEO leads operations on the basis of the CEO's instructions drawn up by the Board. According to the instructions, the CEO is tasked with ensuring that the Board members receive regular information and reports on Catena's progress to enable them to make sound assessments and well-founded decisions.

The CEO must also ensure that Catena observes the obligations regarding information and so forth that arise from the listing agreement with NASDAQ OMX Stockholm.

The CEO's duties also include supervising compliance with the goals, policy and strategic plans established by the Board and ensure that they are submitted to the Board for updating or review whenever necessary.

Remuneration Committee

The Board of Catena has established a Remuneration Committee. The task of the Remuneration Committee is to prepare matters concerning remuneration and other conditions of employment for the CEO. The CEO, on the basis of principles established by the Board, determines remuneration of senior executives. Until 27 September 2013, the Remuneration Committee consisted of all Board members, thereafter, the Committee comprised Henry Klotz (Chairman), Bo Forsén and Katarina Wallin.

Audit Committee

Catena's Board has established an Audit Committee. The task of the Audit Committee is to maintain and add to efficiency in contacts with the Group's auditor and to supervise the procedures for auditing and financial reporting. The Committee also evaluates the work of the auditor and monitors how accounting principles and requirements are progressing. The Board has decided that all its members, with the exception of the CEO, are to be part of the Committee.

Stock market information

Catena submits prompt, simultaneous, correct and reliable information to existing and potential shareholders and other stakeholders. The company submits interim reports, a year-end report and an annual report for the entire financial year. Catena's website, www.catenafastigheter.se, presents current information on Catena, such as press releases and financial statements. Shareholders can download financial information from the company via the website. This infor-

mation can also be ordered directly from Catena by telephone.

Internal control

The Board is responsible for internal control pursuant to the Swedish Companies Act and the Swedish Corporate Governance Code. This Corporate Governance Report is prepared in accordance with Chapter 6, Section 6 of the Swedish Annual Accounts Act and is thus limited to internal control and risk management related to financial reporting.

The basis of internal control is the control environment in which the work of the Board and executive management is set. The Board has adopted a number of important policies and basic guidelines for internal control programs, such as financial, environmental and information policies. The CEO presents regular reports to the Board on the basis of established routines and documents.

Catena's internal control structure is based on a clear division of responsibility and work between the Board and



CEO, as well as within operational activities. Operational activities include business control and business planning processes. Examples of these include tools for monitoring operations, preparations ahead of the purchase and sale of properties/companies, and underlying data for property valuations.

Control activities are performed at the individual property level in the form of current results and investment monitoring and, at the overall level, in the form of results analysis at the area level, analysis of key data and reviews of the Group's legal structure. In order to prevent and detect errors and deviations, there are, for example, systems for attestation rights, reconciliations, approval and reporting of business transactions, reporting templates as well as accounting and valuation policies. These systems are continuously updated. Internal information and external communication are regulated at the overall level by means of the information policy. Internal information is disseminated through regular information meetings.



The picture shows one of Catena's typical logistics properties, Törsjö 2:49, which has a prime location outside Örebro beside the European motorways, E18 and E20.

Board



Henry Klotz, Chairman of the Board
London. **Born:** 1944. **Elected:** 2007. **Education:** Engineer. **Primary employment:** Executive Vice-Chairman of CLS Holdings plc. **Other positions:** Board member of a large number of companies in the CLS Group and Board member of NOTE AB. **Holding in Catena:** None. **Independence status under the Swedish Corporate Governance Code:** Independent in relation to the company and executive management. Dependent in relation to major shareholders.



Katarina Wallin, Board member
Danderyd. **Born:** 1970. **Elected:** 2013. **Education:** M.Sc. in Engineering from KTH, the Royal Institute of Technology. Behavioural Science and Business Administration from Stockholm University. **Primary employment:** Strategy Consultant and Partner at Evidensgruppen. **Other positions:** Chairman of the Board at Belatchew Arkitekter AB and Bernow Lindqvist Wallin AB. Board member at Ekologigruppen AB, Evidens blv AB, Au Point AB and Evimetrix AB. Acting Board member at BFAB and VOK AB. **Holding in Catena:** None. **Independence status under the Swedish Corporate Governance Code:** Independent in relation to the company and executive management. Independent in relation to major shareholders.



Erik Paulsson, Board member
Båstad. **Born:** 1942. **Elected:** 2013. **Education:** Elementary school. **Primary employment:** Company leader and entrepreneur since 1959. **Other positions:** Chairman of the Board of Fabege AB, Backahill AB, SkiStar AB and Wihlborgs Fastigheter AB. Board member of Nolato AB. **Holding in Catena:** 11,680,751 shares (through companies). **Independence status under the Swedish Corporate Governance Code:** Independent in relation to the company and executive management. Dependent in relation to major shareholders.



Gustaf Hermelin, Board member
Björkvik. **Born:** 1956. **Elected:** 2013. **Education:** Business Administration at Stockholm School of Economics. **Primary employment:** CEO of Catena AB. **Other positions:** Board member at Diös Fastigheter AB, Fabege AB and Platzer Fastigheter AB. **Holding in Catena:** 1,951,353 shares (through companies). **Independence status under the Swedish Corporate Governance Code:** Dependent in relation to the company and executive management. Dependent in relation to major shareholders.



Andreas Philipson, Board member
Enskede. **Born:** 1958. **Elected:** 2013. **Education:** M.Sc. Civil Engineering, Chalmers Institute of Technology, Harvard Business School Executive Program. **Primary employment:** CEO of TAM Group AB. **Other positions:** Board member of TAM Group AB and Veg Tech AB as well as subsidiaries of TAM Group. **Holding in Catena:** 1,000 shares (through companies). **Independence status under the Swedish Corporate Governance Code:** Dependent in relation to the company and executive management. Independent in relation to major shareholders.



Bo Forsén, Board member
Ljunghusen. **Born:** 1948. **Elected:** 2012. **Education:** Business Administration from Lund University. **Primary employment:** Board work. **Other positions:** Chairman of the Board at Victoria Park AB, Scandinavian Resort AB and Norén Fastigheter AB. Board member at Roxtec AB and Cale AB. **Holding in Catena:** 1,000 shares (through companies). **Independence status under the Swedish Corporate Governance Code:** Independent in relation to the company and executive management. Independent in relation to major shareholders.

Group Management and Auditor



Gustaf Hermelin, CEO

Björkvik. **Born:** 1956. **Education:** Business Administration at Stockholm School of Economics. **Previous experience:** CEO of Klöver AB, Strömfastigheter i Norrköping and Strandfastigheter AB. **Board assignments:** Board member at Fabega AB, Diös Fastigheter AB and Platzer Fastigheter AB. **Holding in Catena:** 1,951,353 shares (through companies).



Peter Andersson, CFO

Ängelholm. **Born:** 1966. **Education:** M.Sc. in Business Administration. **Previous experience:** CFO at Brinova Fastigheter AB and CFO at Fastighets AB Skånehus. **Holding in Catena:** None.



Mikael Halling, Deputy CEO, Head of Logistics and Acting Regional Manager Gothenburg

Helsingborg. **Born:** 1952. **Education:** MBA and Structural Engineer. **Previous experience:** Vice President of Brinova Fastigheter AB and Head of Logistics at Brinova Fastigheter AB. CEO of Birsta Fastigheter. **Holding in Catena:** None.



Göran Jönsson, Regional Manager Öresund

Landskrona. **Born:** 1961. **Education:** Structural Engineer. **Previous experience:** Head of Business Area Residential/Commercial in Brinova Fastigheter AB and CEO of Maintech Förvaltning Syd. **Holding in Catena:** None.



Maths Carreman, Regional Manager Stockholm

Nyköping. **Born:** 1958. **Education:** Structural Engineer. **Previous experience:** Head of Klöver Nyköping and Construction Manager/Purchasing Manager/Project developer at Skanska. **Holding in Catena:** 100 shares.



Lars Wennberg, Authorised Public Accountant, ÖhrlingsPricewaterhouseCoopers AB

Stockholm. **Born:** 1957. **Education:** Authorised Public Accountant.

The share, share capital and ownership structure

Catena's shares were listed on the Stockholm Stock Exchange on 26 April 2006. In 2013, the share was listed on NASDAQ OMX Stockholm – Nordic List, Small Cap in the Real Estate sector, under the ticker symbol CATE. From 2 January 2014, the share has been listed on NASDAQ OMX Stockholm – Nordic List, Mid Cap.

During 2013, the share price rose about 59% (10), from SEK 63.00 to SEK 100.00 and the market capitalisation was SEK 2,520 M (728). The highest price quoted for the share was SEK 103.50 on 21 August and the lowest quote was SEK 62.00 on January 7. The NASDAQ OMX Stockholm's all share index (OMXSPI) rose 22% (-17) and the Carnegie Real Estate Index (CREX) climbed 21% (15).

During the year, a total of 1,536,773 Catena shares were traded on the NASDAQ OMX Stockholm and Burgundy, corresponding to a turnover rate of 6.1%.

Shares and share capital

The share capital of Catena AB is to be no less than SEK 50,000,000 and no more than SEK 200,000,000. The total number of shares is not permitted to be less than 10,000,000 and more than 40,000,000.

At 31 December 2013, the share capital in Catena AB totalled SEK 110,859,980.80 distributed among 25,195,452 ordinary shares. The quotient value per share is SEK 4.40.

Each share confers one vote and each person entitled to vote at the General Meeting of shareholders may vote for the full number of shares held and represented. All shares confer equal rights to participate in the company's assets

and earnings. The shares are not subject to any limitations as regards the right to transfer of ownership.

The shares are denominated in SEK and have been issued in accordance with the provisions in the Swedish Companies Act.

The company's shares are not the subject of any mandatory offer, squeeze-out right or sell-out right. No public offer for the company's shares was made during the current or the preceding financial year.

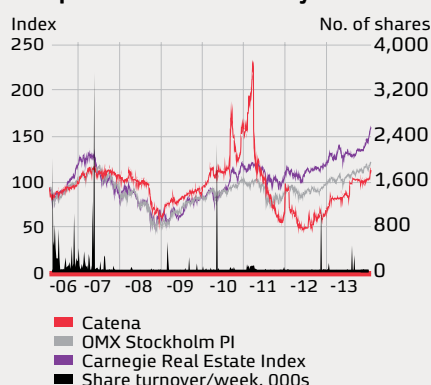
Catena is affiliated to Euroclear's account-based securities system and, accordingly, no physical share certificates are issued. All rights associated with the share accrue to the registered holder of the share in the share register maintained by Euroclear.

Ownership structure

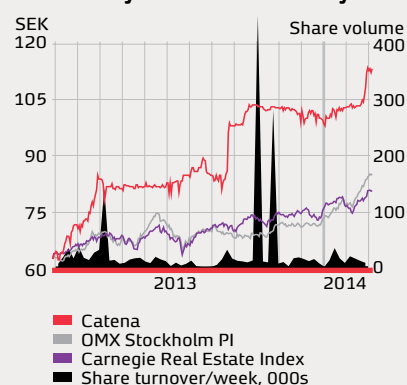
At 31 December 2013 the Catena AB had 15,084 shareholders (16,011). The largest shareholders are Backahill Kil AB with 46.4% (0) of the share capital and Endicott Sweden AB and Fabège AB each with 13.8% (29.9) respectively of the capital. No other shareholder held 10% or more of the shares outstanding on 31 December 2013.

Owners outside of Sweden accounted for 5.6% (6.2) of the share capital. Owners in Sweden accounted for 94.4% (93.8) of the share capital and votes, of which legal entities

Share price trend
26 April 2006 – 28 February 2014



Share price trend
28 January 2013 – 28 February 2014



Ownership, distribution by size of shareholding at 28 February 2014

Size of holding	No. of shareholders	Percentage of shareholders, %	No. of shares	Percentage of share capital and voting rights, %
1-500	14,390	95.8	1,182,398	4.7
501-1,000	403	2.7	311,191	1.2
1,001-5,000	180	1.2	368,720	1.5
5,001-10,000	16	0.1	112,392	0.4
10,001-15,000	6	0.0	69,701	0.3
15,001-20,000	5	0.0	84,240	0.3
20,001-	18	0.1	23,066,810	91.6
Total	15,018	100.0	25,194,452	100.0

accounted for 87.4 percentage points and private individuals for 7.0 percentage points of the share capital and votes.

Catena AB did not own any treasury shares in Catena at the end of 2013.

Shareholder agreements

The Board is not aware of any shareholder agreements between the company's shareholders and, with the exception of that stated in the following paragraph, is not aware of any other agreements or their equivalents that could later lead to a change in control of Catena.

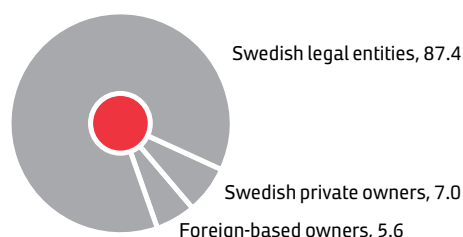
Incentive programme

Catena has no incentive program outstanding. Neither are there any warrants or convertible bonds issued for Catena nor any authorisations to issue any such financial instruments. Accordingly, none of the Board members or any of the senior executives in Catena hold any warrants in Catena.

Dividend policy

The company's dividend policy was adjusted in conjunction with the acquisition of Brinova Logistik AB as follows: In the long-term, Catena's dividends should amount to 50% of profit from property management less standard rate tax

Number of votes by country and category at 31 January 2014, %



Ownership structure at 28 February 2014	No. of shares, 000s	Votes, %
Backahill	11,680	46.4
Endicott Sweden AB (CLS Holding pic)	3,469	13.8
Fabege AB (publ)	3,469	13.8
SFU Sverige AB	1,951	7.7
Catella Fondförvaltning	826	3.3
JPM Chase NA	645	2.5
Livförsäkrings AB Skandia	277	1.1
Banque Carnegie Luxembourg	214	0.8
Handelsbanken Fonder AB	118	0.5
CBNY-DFA-INT SML CAP V	97	0.4
Other shareholders	2,449	9.7
	25,195	100.0

Key share data	2013	2012
Share price at year end, SEK	100.00	63.00
Price trend in 2013, %	59.0	9.5
Earnings per share, SEK	9.81	19.26
Profit from property management per share, SEK	10.59	15.46
P/E ratio	10	3
Equity per share, SEK	64.95	62.93
Dividend per share, SEK	2.00 ¹⁾	1.00
Dividend yield, %	2.0 ¹⁾	1.6
No. of shares at year end, 000s	25,195	11,564
Average number of shares, 000s	14,291	11,564

1) In accordance with the Board's proposal to the AGM.

Development of share capital	Change in No. of shares	Total No. of shares	Total share capital
New share issue	17 May 1999	490,754	11,555,662
Bonus issue	9 March 2006	8,838	11,564,500
Private placement	18 October 2013	13,630,952	25,195,452
Number of registered shares and share capital		25,195,452	110,859,988.80



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Consolidated income statement

SEK M	Note	1 Jan 2013- 31 Dec 2013	1 Jan 2012- 31 Dec 2012
	1,2,18,22,23		
Income from property	3,4	316.8	286.2
Property expenses	5,7	-95.5	-101.3
Net operating surplus		221.3	184.9
Central administration	5,6,7,8	-8.6	-
Other operating income		2.1	1.9
Other operating expenses		-2.1	-1.9
Participations in joint venture profits	13	4.6	50.5
Financial income	9	18.4	20.1
Financial expenses	9	-88.7	-76.7
Profit from property management		147.0	178.8
Realised changes in value from investment properties	11	2.4	27.5
Unrealised changes in value from investment properties	11	30.9	26.0
Changes in value of derivatives		4.4	-
Pre-tax profit		184.7	232.3
Tax paid	10	-	-0.3
Deferred tax	10	-46.3	-11.7
Profit for the year	17	138.4	220.3
Attributable to:			
Parent Company's shareholders		140.2	222.7
Non-controlling interests		-1.8	-2.4
		138.4	220.3
Earnings per share			
Earnings per share prior to and after dilution, SEK		9.81	19.26
Dividend per share, SEK		2.00 ¹⁾	-

Consolidated statement of comprehensive income

SEK M	Note	1 Jan 2013- 31 Dec 2013	1 Jan 2012- 31 Dec 2012
	1,2,17,18,22;23		
Net profit for the year		138.4	220.3
Other comprehensive income for the year		-	-
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		138.4	220.3
Attributable to:			
Parent Company's shareholders	17	140.2	222.7
Non-controlling interests		-1.8	-2.4

1) The Board's proposed dividend.

The acquisition of Brinova Logistik AB is recognised as a reverse acquisition, which means that Brinova Logistik AB is treated, for accounting purposes, as the acquirer in the transaction. Therefore, the Annual Report was prepared as a continuation of Brinova Logistik AB. This means that Catena's income and expenses from January to September 2013 were eliminated in the results. The results and key performance indicators do not reflect the full effect of the

merger with Catena. The full effect will first be achieved in 2014, when the full-year effects of, among other things, completed projects have full impact.

Income from property

The lease portfolio is long-term and tenants largely comprise well-established companies, primarily logistics companies.

Duration of leases

Duration	No. of contracts	Contractual annual rent, SEK M	Contractual annual rent, %
2014	81	27.0	8
2015	21	19.6	5
2016	22	79.3	22
2017	19	59.2	16
2018	5	17.6	5
2019+	30	161.7	44
Total	178	364.4	100
Parking spaces and other	9	1.3	0
Total	187	365.7	100

The majority of Catena's properties are located at key logistic hubs by ports and along the major European motorways. This, in combination with the need for logistics premises becoming more volume dependent than operator dependent, means that Catena is less sensitive to terminated contracts.

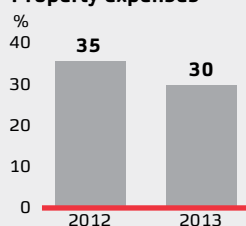
Lettable area and letting ratio in terms of space per region

	Lettable area, thousand sq.m.	Letting ratio in terms of space, %
Stockholm	293.1	82.1%
Gothenburg	184.4	78.5%
Öresund	172.4	95.4%
Projekt Solna	40.7	96.6%
Total	690.6	85.3%

Net operating surplus

Property expenses declined in 2013 to 30% of income from property, compared with 35% in 2012. This is primarily due to the majority of these costs having been transferred to tenants.

Property expenses



Profit from property management

Profit from property management, which as a consequence of Brinova Logistik's reverse acquisition of Catena, is not fully comparable with the preceding year, declined SEK 32 M in 2013. This was primarily attributable to an effect that arose in 2012 from interests in joint venture profits pertaining to the revaluation of a property in a partly owned company.

In addition, financial expenses increased, which was primarily attributable to renegotiations of liabilities to credit institutions and increased borrowing to finance the acquisitions made under the year.

Catena has signed agreements for interest-rate caps and interest-rate swap contracts to limit interest-rate risk.

Liabilities to credit institutions

Interest date	SEK M	Interest rate, % ¹⁾	Share, %
2014	1,963.0	2.6	66.2
2021	500.0	4.3	16.9
2022	500.0	3.7	16.9
Total	2,963.0	3.1	100.0

1) Pertains to the current average interest rate at 31 Dec 2013. Interest rates change in line with the changes in the general interest rate but are limited by interest-rate caps.

Reduction in the rate of interest through interest-rate caps

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

Reduction in the rate of interest through interest-rate swaps

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

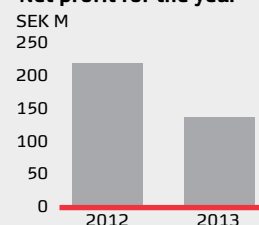
Pre-tax profit

Pre-tax profit, which as a consequence of Brinova Logistik AB's reverse acquisition of Catena, is not fully comparable, declined SEK 47.6 M in 2013. The decline was primarily attributable to lower earnings from participations in joint ventures and lower positive value changes.

Net profit for the year

The tax expense, which in 2013 comprised deferred tax, increased SEK 34.3 M to SEK 46.3 M. The difference was attributable to a positive tax effect of SEK 39.7 M that arose in 2012 due to the change in tax rate from 26.3% to 22%.

Net profit for the year



Quarterly earnings, SEK M	2013				2012			
	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Income from property	76.2	69.8	81.1	89.7	73.0	72.8	71.6	68.8
Net operating surplus	49.1	51.0	56.5	64.7	46.4	46.2	47.1	45.2
Profit from property management	37.4	37.9	40.0	31.7	31.8	35.1	35.5	76.4
Pre-tax profit	41.6	43.6	63.4	36.1	22.4	35.1	98.3	76.5
Profit after tax	32.4	40.4	44.9	20.7	16.1	26.3	79.6	98.3

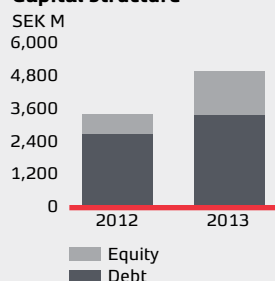
Balance sheet

SEK M	Note	31 Dec 2013	31 Dec 2012
ASSETS	1,2,18,22,23		
Non-current assets			
Investment properties	11	4,722.3	3,382.4
Property, plant and equipment	12	1.1	-
<i>Financial fixed assets</i>			
Participations in joint ventures	13	26.2	25.9
Deferred tax assets	10	16.1	5.2
Other long-term receivables		5.1	1.0
Total financial fixed assets		47.4	32.1
Total non-current assets		4,770.8	3,414.5
Current assets			
<i>Current receivables</i>			
Accounts receivable	14	11.9	5.4
Other receivables	15	21.6	17.5
Prepaid expenses and accrued income	16	20.1	5.5
Cash and cash equivalents	18	213.6	0.2
Total current assets		267.2	28.6
TOTAL ASSETS		5,038.0	3,443.1
EQUITY AND LIABILITIES			
Equity	17		
Share capital		110.9	0.1
Other capital contributions		685.8	-
Retained earnings		839.8	727.6
Equity attributable to Parent Company shareholders		1,636.5	727.7
Non-controlling interests		5.4	7.3
Total equity		1,641.9	735.0
Liabilities			
Long-term liabilities			
Liabilities to credit institutions	18,19,20	2,954.5	2,048.1
Deferred tax liabilities	10	272.6	212.2
Other long-term liabilities		0.8	-
Total long-term liabilities		3,227.9	2,260.3
Current liabilities			
Liabilities to credit institutions	18,19,20	8.5	10.8
Accounts payable		25.8	41.2
Liabilities to joint ventures		14.1	-
Current tax liability		-	2.1
Other liabilities		43.0	341.2
Accrued expenses and deferred income	21	76.8	52.5
Total current liabilities		168.2	447.8
Total liabilities		3,396.1	2,708.1
TOTAL EQUITY AND LIABILITIES		5,038.0	3,443.1

Capital structure

Catena manages its capital to generate a return to its owners. A well-weighted balance between equity and liabilities is sought after to ensure that capital is sufficient given the operations conducted. Catena has a healthy balance between equity and debt, which means a high equity ratio and a low level of debt.

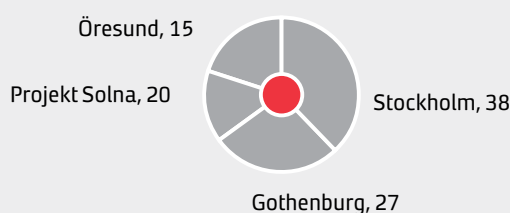
Capital structure



Capital employed by region

Catena's capital employed is primarily invested in 44 logistics and warehouse properties located by key transportation routes in the vicinity of Stockholm, Gothenburg and Malmö as well as one development property in Solna

Capital employed by region, %



Development of the property portfolio in 2013

Property portfolio	31 Dec 2013	
	Fair value	No. of properties
Opening property portfolio	3,382.4	45
Acquisitions	1,125.6	4
Investments in existing properties	186.7	
Sales	-3.3	-4
Unrealised value changes	30.9	
Total investment properties	4,722.3	45

Catena's treasury management is responsible for funding and securing liquidity. Catena has a policy that all borrowings should have a loan term of up to ten years. The policy also states, that where possible, loan terms should be adapted to the fixed-interest terms of leases signed.

Loan maturity structure

Loan maturity	SEK M
2014	2,281.8
2015	507.6
2029	21.8
>2031	151.8
Total	2,963.0

Current assets

The majority of Catena's current assets comprise cash and cash equivalents. This makes Catena well equipped for future acquisitions and investments.

Catena's balance sheet prior to the reverse acquisition of Brinova Logistik AB

By way of comparison, the following details are provided of the balance sheet that was officially published by Catena AB at the end of 2012.

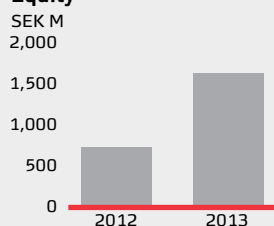
SEK M	31 Dec. 2012
Investment properties	850.0
Short and long-term receivables	16.6
Cash and cash equivalents	57.7
Total assets	924.3
Equity	480.9
Provisions	120.4
Interest-bearing liabilities	306.0
Non-interest-bearing liabilities	17.0
Total equity and liabilities	924.3

Statement of changes in consolidated equity

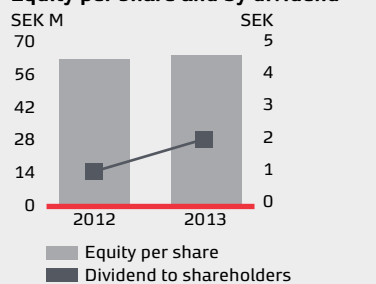
Equity attributable to:	1 Jan 2012	Comprehensive income for the year	Dividend	Reverse acquisition of subsidiary	Capital contribution	31 Dec 2012
Parent Company's shareholders						
Share capital	0.1	-	-	-	-	0.1
Other capital contributions	-	-	-	-	-	-
Retained earnings	548.7	222.7	-43.8	-	-	727.6
Total Parent Company's shareholders	548.8	222.7	-43.8	-	-	727.7
Non-controlling interests	9.7	-2.4	-	-	-	7.3
Total equity	Note 17	558.5	220.3	-43.8	-	735.0

Equity attributable to:	1 Jan 2013	Comprehensive income for the year	Dividend	Reverse acquisition of subsidiary	Capital contribution	31 Dec 2013
Parent Company's shareholders						
Share capital	0.1	-	-	110.8	-	110.9
Other capital contributions	-	-	-	505.6	180.2	685.8
Retained earnings	727.6	140.2	-28.0	-	-	839.8
Total Parent Company's shareholders	727.7	140.2	-28.0	616.4	180.2	1 636.5
Non-controlling interests	7.3	-1.9	-	-	-	5.4
Total equity	Note 17	735.0	138.3	-28.0	616.4	1 641.9

Equity



Equity per share and by dividend



(The dividend in 2012 pertains to Catena AB's dividend to shareholders)

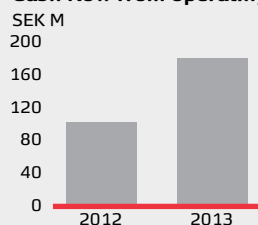
Cash-flow statement

SEK M	Note 24	1 Jan 2013 - 31 Dec 2013	1 Jan 2012 - 31 Dec 2012
Operating activities			
Pre-tax profit		184.7	232.3
Adjustments for non-cash items		3.1	-104.0
Tax paid		-	-0.3
Cash flow from operating activities before changes in working capital		187.8	128.0
Cash flow from changes in working capital			
Change in operating receivables		3.9	-15.4
Change in operating liabilities		-9.8	-9.8
Cash flow from operating activities		181.9	102.8
Investing activities			
Acquisition of assets via subsidiaries		89.2	-110.8
Divestment of operations		-	134.3
Acquisition of investment properties		-268.9	-207.7
Divestment of investment properties		4.8	4.1
Acquisitions of property, plant and equipment		-1.3	-
Acquisitions of other financial assets		-425.2	-
Divestment of financial assets		194.3	-
Cash flow from investing activities		-407.1	-180.1
Financing activities			
Borrowings		456.9	331.3
Amortisation of loans		-18.3	-253.9
Dividend paid		-	-
Cash flow from financing activities		438.6	77.4
Cash flow for the year		213.4	0.1
Opening cash and cash equivalents		0.2	0.1
Closing cash and cash equivalents		213.6	0.2

Cash flow from operating activities

The increase in cash flow was primarily attributable to an increase in net operating surplus, which was mainly due to completed projects and acquired properties.

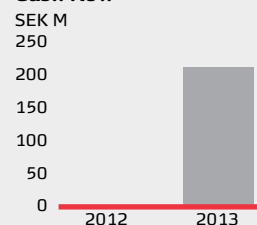
Cash flow from operating activities



Cash flow

The increase in total cash flow was primarily attributable to increased cash flow from operating activities and borrowings that outweighed net investments.

Cash flow



Notes – Group

NOTE 1

General information

Catena AB (publ), corporate registration number 556294-1715, has its registered office in Solna, Sweden. The company is the Parent Company of a Group of companies including subsidiaries. The postal address of the head office is Box 1041, SE-262 21 Ängelholm, Sweden and the visiting address is Svenskehögsgatan 11 in Ängelholm, Sweden.

Catena's mission is to actively manage, enhance and proactively develop its property portfolio by identifying and conducting value-enhancing programs that raise the attractiveness of the properties and their yield, with due consideration of risk. Catena also sells properties when the opportunity to create further growth is deemed to be limited.

Operations in the Parent Company Catena AB are comprised exclusively of inter-Group activities and the assets mainly consist of shares and participations in subsidiaries which, in their turn, own properties or shares in property companies. The Parent Company is listed on the NASDAQ OMX Stockholm, Small Cap. From 2 January 2014, the share has been listed on Mid Cap.

The annual accounts and consolidated financial statements were approved for release by the Board on 27 March 2014. The Group's income statement and balance sheet and the Parent Company's income statement and the balance sheet will be presented for the approval of the Annual General Meeting on 6 May 2014.

NOTE 2

Accounting and valuation policies

Amounts in SEK M unless otherwise specified.

Compliance with standards and legal requirements

The consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act, the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretation statements issued by the International Financial Reporting Interpretations Committee (IFRIC) as approved by the European Commission for application in the EU. In addition, the Swedish Financial Reporting Board's recommendation, Supplementary Accounting Rules for Groups, has been applied.

The Parent Company applies RFR 2, which means the same accounting policies as the Group except in the cases stated in Note 1 for the Parent Company. Those deviations that occur between the Parent Company's and the Group's policies are caused by limitations in the possibilities for applying IFRS in the Parent Company as a consequence of the Swedish Annual Accounts Act and, in some cases, for tax reasons.

Preconditions for the preparation of the Parent Company's and the Group's financial statements

The Parent Company's functional currency is the Swedish krona (SEK), which is also the reporting currency for the Parent Company and the Group. This means that the financial statements are presented in SEK. All amounts, unless otherwise stated, are stated in SEK million. Assets and liabilities are recognized at historical cost, except for investment properties and certain financial assets and liabilities, which are recognized at fair value. Those financial assets and liabilities that are recognized at fair value comprise derivative instruments.

Preparing the financial statements in accordance with

IFRS requires that senior management makes assessments, estimates and assumptions that affect the application of accounting policies and the recognized amounts of assets, liabilities, income and expenses. The estimates and the assumptions are based on historical experience and on a number of other factors that seem reasonable under the prevailing circumstances. The result of these estimates and assumptions is then used to assess the carrying amounts for assets and liabilities that are otherwise not clearly specified from other sources. The actual outcome may deviate from these estimates and assessments.

Those assessments made by the senior management on application of IFRS that have a material impact on the financial statements and estimates made that can entail material adjustment of following years' financial statements are described in the note for the item that could be the subject of any such adjustment.

The accounting principles presented below for the Group have been applied consistently for all periods presented in the consolidated financial statements, unless otherwise stated below. The Group's accounting principles have been applied consistently for the reporting and consolidation of the Parent Company, subsidiaries, associated companies and joint ventures.

New and amended standards applied by the Group

None of the IFRS or IFRIC interpretations that are mandatory for the first time as of the 2013 financial year have had or are assessed as having any material impact on the Group.

IFRS 13 – Fair Value Measurement aims to make fair value measurements more consistent and less complex. The standard provides an exact definition and a joint source in IFRS to fair value measurements and associated disclosures where a fair value measurement is applicable. The impact has primarily meant changes in the description of the accounting policies and increased disclosure requirements.

IAS 1 – Presentation of Financial Statements introduces changes pertaining to other comprehensive income. The most significant change in the amended IAS 1 is the requirement that items recognised in other comprehensive income are presented in two separate groups. The allocation is based on whether items can be reclassified to profit or loss (reclassification adjustments) or not. The amendment does not address the issue of which items should be included in other comprehensive income.

New and amended standards that have yet to enter into force

Several new standards and interpretations had not yet entered into force when the consolidated financial statements were prepared as of 31 December 2013. A brief description is made below of the standards and statements that are assessed as possibly impacting the consolidated financial statements.

IFRS 9 – Financial Instruments, addresses classification, measurement and accounting for financial assets and liabilities. IFRS 9 is intended to replace IAS 39 and those parts that have been published to date address classification, measurement and hedge accounting. At the current date, the full standard is not ready, which means that the Group is unable to determine any possible impact at present. The Group intends to apply the new standard from the date specified by the EU for its application.

IFRS 10 – Consolidated Financial Statements, IFRS 11 – Joint Arrangements and IFRS 12 – Disclosure of Interests in Other Entities will be applied from 1 January 2014. The assessment of the Group is that the standards will only impact certain disclosures.

IFRIC 21 – Levies means an interpretation of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets.

IAS 37 outlines the criteria for accounting for liabilities, of which one criterion is that the company has an existing obligation due to a past event (also termed the obligating event). The interpretation makes clear that the obligating event that triggers the obligation to recognise a liability to pay a tax or fee is the activity described in the applicable legislation as the event that triggers the obligation to pay the fee. The Group also intends to apply IFRIC 21 from the date specified by the EU for its application.

Segment reporting

Operating segments are recognized in a manner that corresponds to the internal reporting submitted to the Chief Operating Decision Maker (CODM). The CODM is the function that is responsible for allocating resources and assessing the performance of the operating segments. In Catena, this function is identified as the CEO and senior management, that is, the unit at Catena that makes strategic decisions.

Classification

Non-current assets and long-term liabilities, essentially, consist of amounts expected to be recovered or paid after more than 12 months of the balance-sheet date. Current assets and current liabilities, essentially, consist only of amounts expected to be recovered or paid within 12 months of the balance-sheet date.

Consolidation principles

Subsidiaries

Subsidiaries are companies in which Catena AB has a controlling influence. A controlling influence implies directly or indirectly a right to determine a company's financial and operational strategies in order to gain financial benefits, which is the general rule with a shareholding of 50% or more of the voting rights. In assessing the existence of a controlling influence, potential voting shares that can be utilized or converted promptly are taken into consideration.

Subsidiaries are recognised in accordance with the acquisition method if the acquisition of a subsidiary meant the acquisition of a business and not solely of assets and liabilities. This method entails that the acquisition of a subsidiary is treated as a transaction through which the Group indirectly acquires the subsidiary's assets and assumes its liabilities and contingent liabilities. The consolidated cost is established through an acquisition analysis in conjunction with the acquisition of operations. The analysis establishes the cost of the participation rights or the business, the fair value of the identifiable assets acquired and the liabilities and contingent liabilities assumed. The acquisition value of the shares in the subsidiary or business comprises the fair values as of the day of transfer for assets, liabilities arising or assumed and issued equity instruments paid in consideration for the net assets acquired. The acquisition value includes the fair value of all assets and liabilities resulting from an agreed conditional purchase price. Acquisition related costs are expensed as incurred. Identifiable assets and liabilities assumed in a business combination are initially measured at fair value on the acquisition date. For each acquisition, the Group determines if the non-controlling interest in the acquired company should be recognised at fair value or at the holding's proportional share of the acquired company's net assets.

If the cost exceeds the fair value of the identifiable assets acquired and the liabilities and contingent liabilities assumed, this difference is recognised as goodwill. If the cost is less than the fair value of the identifiable net assets acquired and the contingent liabilities, this difference is recognised in profit or loss.

When the acquisition of subsidiaries means the acquisition of investment properties that are not part of a busi-

ness, the cost is allocated over the individually identifiable assets and liabilities based on their relative fair values at the acquisition date. All acquisitions of subsidiaries in 2012 and 2013 were recognised as asset acquisitions. The financial statements of subsidiaries are incorporated in the consolidated financial statements from the moment controlling influence arises until the date the controlling influence ceases.

Joint ventures

For accounting purposes, a joint venture is a company for which the Group, through partnership agreements with one or more parties, has shared control over the operational and financial management. Participations in joint ventures are recognised according to the equity method. The equity method means that the Group's carrying amounts for shares in associated companies correspond to the Group's share of the associated companies' equity as well as consolidated goodwill and any other remaining values of consolidated surplus and deficit values. In the consolidated income statement the Group's share of associated companies' net earnings after taxes adjusted for any depreciation, amortisation, impairment losses or reversals of acquired surplus and deficit values is reported as participations in joint venture profits. Dividends received from associated companies reduce the carrying amounts of the investment. Participations in joint venture profits are recognised under operating profit. The equity method is applied from the moment that shared controlling influence arises and until the time when the shared influence ceases.

Transactions that are eliminated on consolidation

Intra-Group receivables and liabilities, income or expenses and unrealised gains or losses arising from intra-Group transactions among Group companies are entirely eliminated in the preparation of the consolidated financial statements.

Unrealised gains that arise from transactions with associated companies and jointly controlled companies are eliminated to an extent that corresponds with the Group's participation in the company. Unrealised losses are eliminated in the same manner as unrealised gains, but only to the extent that no indication of a need for impairment exists.

Transactions with holdings without controlling influence

The Group treats transactions with non-controlling interests as transactions with the Group's shareholders. In the case of acquisitions from non-controlling interests, the difference between the price paid and the actual share acquired of the carrying amount of the subsidiary's net assets is recognised in equity. Gains and losses on divestments to non-controlling interests are also recognised in equity.

Divestment of a controlling influence, significant influence and shared influence respectively

When the Group no longer exercises a controlling influence, significant influence or shared influence, each remaining holding is remeasured at fair value and the change recognised in profit or loss. The fair value is used as the first carrying amount and comprises the basis for continued reporting of the remaining holding in the associated company, joint venture or financial asset. All amounts pertaining to the divested operations that were previously recognised in other comprehensive income are recognised as if the Group had directly divested the attributable assets or liabilities. This means that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Transactions in foreign currency

Transactions in foreign currency are translated to the functional currency at the exchange rate on the transaction date. The functional currency is the currency in the primary economic environments where the companies conduct their operations. All units in the Group use the Swedish krona (SEK) as their functional currency. Monetary assets and liabilities in foreign currency are translated to the functional currency at the closing exchange rate. Exchange-rate differences that arise on translation are recognised in profit or loss.

Transactions with countries outside of Sweden only arise in exceptional cases.

Operating income

Income is recognised in profit or loss when material risks and benefits have been transferred to the counterparty. If any material uncertainty exists regarding payment, attached costs or risk and if seller retains an involvement in the day-to-day management such as would usually be associated with ownership, the payment is not taken up as income. Income is recognised at the fair value of what has been received or is expected to be received after deductions for any discounts given.

Income from property

Income from property and rental discounts are recognized on a straight-line basis in profit or loss, based on the terms and conditions of the lease. Prepaid rent is recognised as prepaid income from property. Income from early redemption of leases is recognised as income in the period when the payment is received unless any additional performance is required from Catena. Invoiced property tax and utilities costs are recognised as income in the period in which they are invoiced by Catena.

Income from property sales

Catena recognises income and costs from the acquisition and sale of property at the date risks and benefits are transferred to the purchaser, which normally coincides with the occupancy date.

Any agreement between the parties pertaining to risks and benefits, and involvement in the day-to-day operations is taken into account when assessing the moment in time for recognising income. Furthermore, any circumstances that could impact the outcome of the transaction which are outside the seller's and/or the buyer's control are taken into account.

Criteria for income recognition is applied individually for each transaction.

Operating expenses and financial income and expenses

Central administration

This includes the cost at overall Group level for items including Group management, personnel administration, IT, investor relations, audits, financial statements and listing costs.

Expenses for operational leases

Expenses relating to operational leases are recognised in profit or loss on a straight-line basis over the term of the lease. Benefits received in connection with the signing of an agreement are recognised in profit or loss on a straight-line basis over the term of the lease.

Financial income and expenses

Financial income and expenses consist of interest income on bank funds and receivables, interest expense on loans, dividend income and capital gains and losses realised on derivative instruments.

Interest income on receivables and interest expense on liabilities are calculated using the effective interest method. Effective interest is the interest-rate at which the

present value of all future incoming and outgoing payments during the fixed-interest term is equal to the carrying amount of the receivable or liability.

Interest income and interest expense respectively include amounts distributed over time for transaction expenses and any discounts, premiums and other differences between the initial carrying amount of the receivable or liability and the amount settled when the item falls due for payment.

Dividend income is recognised when the right to receive payment has been established.

Tax

Income taxes consist of current tax and deferred tax. Income tax is recognised in profit or loss except where the underlying transaction is recognised directly in equity, in which case the underlying tax effect is recognized in equity. Current tax is the tax payable or receivable for the current year, which includes adjustment of current tax attributable to preceding periods.

Deferred tax is calculated in accordance with the balance-sheet method, based on temporary differences between the accounting and tax values of assets and liabilities. The following temporary differences are not taken into consideration: temporary differences arising on initial recognition of goodwill, the initial reporting of assets and liabilities that are not business combinations and that at the transaction date do not impact the carrying amount or the taxable earnings. Nor are temporary differences attributable to participations in subsidiaries and associated companies that are not expected to be reversed within the foreseeable future taken into account. The valuation of deferred tax is based on how the carrying amounts of assets or liabilities are expected to be realised or settled.

Deferred tax assets pertaining to deductible temporary differences and loss carry-forwards are recognised only insofar as they are likely to result in lower tax payments in the future.

Deferred tax is calculated by applying the tax rates and tax rules that have been decided or were, for all practical purposes, decided at the balance-sheet date.

In legal entities, untaxed reserves are recognized including the deferred tax liability. However, in the consolidated financial statements untaxed reserves are divided into deferred tax liabilities and equity.

Financial instruments

Financial instruments recognized in the balance sheet include assets such as cash and cash equivalents, accounts receivable, loan receivables and derivatives. Equity and liabilities include financial instruments in the form of accounts payable, borrowings and derivatives.

A financial asset or liability is recognised in the balance sheet when the company becomes a party to the commercial terms and conditions of the instrument. Accounts receivable including rent claims, termed accounts receivable in the Annual Report, are recognised when the invoice has been sent. A liability is recognised when the counterparty has performed and a contractual obligation to pay exists, even if an invoice has not yet been received. Accounts payable are recognised when invoices are received. A financial asset is removed from the balance sheet when the rights inherent in the agreement are realised or expire or if the company loses control over them. This applies equally for part of a financial asset. A financial liability is removed from the balance sheet when the obligation arising from the agreement has been met or has otherwise been extinguished. This applies equally for part of a financial liability.

Acquisitions and disposals of financial assets are recognised on the transaction date, which is the date on which the company agrees to acquire or dispose of the asset.

Financial instruments are classified at initial recognition based on the purpose for which the instrument was acquired. Financial instruments are initially recognized at cost, corresponding to the fair value of the instrument with a supplement for transaction expenses. This applies to all financial instruments except those categorised as financial assets recognised at fair value via profit or loss, which are recognised at their fair value excluding transaction expenses. Subsequent reporting depends on their classification in accordance with what is outlined below.

In conjunction with every report, the company makes an assessment of whether there are objective indications that a group of financial assets requires impairment. For further information, please refer to the Impairment section below.

Financial assets measured at fair value via profit or loss

This category includes financial assets held for sale and other financial assets that the company has chosen to place in this category. Catena reports derivatives under this category that are not held for hedge accounting purposes.

Loan receivables and accounts receivable

Loan receivables and accounts receivable are financial assets that are not derivatives with fixed payments or payments that can be determined, and are not listed on an active market. The receivables arise on cash lending and when Catena provides services directly to the credit recipient without intending to trade in the receivables. This category also includes acquired receivables. The liabilities are measured at amortised cost. Amortised cost is determined on the basis of the effective interest rate calculated at the time of acquisition. This means that surplus and deficit values and direct transaction expenses are accrued over the term of the instrument. Accounts receivable are recognised in the amount expected to be received after deduction of doubtful receivables, which are assessed on a case-by-case basis. The expected maturity of accounts receivable is short and, accordingly, amounts are recognised at the nominal amount without discounting. A provision for impairment of accounts receivable is made when objective evidence exists that the Group will not be able to receive all the amounts due in line with the original terms and conditions of the receivable. Significant financial difficulties for debtors, the likelihood that the debtor will go into receivership or undergo financial reconstruction and default or late payment (more than 30 days overdue) are considered indicators that there may be a need for impairment of an account receivable. The size of the provision comprises the difference between the asset's carrying amount and the present value of future cash flows. An impairment of accounts receivable is recognised in profit or loss as a reduction in operating income and impairment of a loan receivable is recognised under the item, financial expenses.

Financial liabilities measured at fair value via profit or loss

This category comprises derivatives (stand-alone and embedded) that are not used for hedge accounting. Liabilities in this category are measured at fair value on an ongoing basis and any value changes are recognised in profit or loss.

Financial liabilities measured at amortised cost

This category includes loans and other financial liabilities, for example, accounts payable. Financial liabilities are initially measured at fair value, net after transaction expenses. Thereafter, financial liabilities are measured at amortised cost and any difference between amounts received (net after transaction expenses) and the repayment amount is recognised in profit or loss allocated over the term of the loan using the effective interest method.

Early repayment charges on early redemption of loans are recognised in profit or loss at the redemption date. Long-term liabilities have an expected maturity exceeding one year, while current liabilities have a maturity of less than one year. Accounts payable and other operating liabilities with short maturities are recognised at nominal value. Dividends paid are recognised as a liability from the moment the AGM adopts the dividend.

Derivative and hedge accounting

Catena does not apply hedge accounting. All derivatives are reported under the following categories: Financial assets measured at fair value via profit or loss and financial liabilities measured at fair value via profit or loss.

Fair value of financial instruments

The fair value of loans and interest-rate hedge agreements is determined by discounting future cash flows by the quoted market interest rate for each maturity. The values of interest-rate cap agreements are determined by using the option pricing model. In all cases level 2 is applied under IFRS 13.

Set-off of financial assets and liabilities

Financial assets and liabilities are offset and the net amounts recognised in the statement of financial position, only, when the following criteria are met:

- A legal right exists to offset the recognised amounts, and
 - The company intends to settle the items with a net amount or, in parallel, realise the assets and liabilities.
- Financial income and expenses are offset in profit or loss when they are connected to the offset financial assets and liabilities.

More information is available about accounting policies and financial risk management in Note 18, Financial instruments and financial risk management.

Cash and cash equivalents

Cash and cash equivalents includes liquid funds and immediately available balances at banks and equivalent institutions as well as short-term liquid investments with maturities of less than three months from the acquisition date that are exposed to only insignificant risk of changes in value.

Property, plant and equipment

Property, plant and equipment is recognised as an asset in the balance sheet if it is likely that future economic benefit will accrue to the company, and the cost of the assets can be reliably determined.

Property, plant and equipment is recognised in the Group at cost after the deduction of accumulated depreciation and any impairment. The cost includes the purchase price and directly attributable expenses for bringing the asset on site and to working condition for its intended use. Loan expenses under the production time are included in the cost of larger new builds, extensions and conversions that take considerable time to complete.

Where property, plant and equipment comprises components with significant differences in useful life, these are treated as separate components of property, plant and equipment.

The carrying amount of an item of property, plant and equipment is derecognised from the balance sheet on disposal or sale or when no future economic benefits can be expected from its use. Gains or losses from the sale or disposal of an asset consists of the difference between the asset's selling price and carrying amount less direct selling expenses. Gains or losses are recognised as other operating income/expenses.

Additional expenses

Additional expenses are added to the cost only if it is likely that the future economic benefits associated with the asset will accrue to the company, and that the cost can be reliably determined. All other additional expenses are recognised as a cost in the period they arise. Any undepreciated carrying amounts for exchanged components or parts of components are disposed of and expensed in conjunction with the exchange. Repairs are expensed on an ongoing basis.

Depreciation methods for property, plant and equipment
Depreciation is performed on a straight-line basis over the estimated useful life of the asset.

The following depreciation rates are applied for equipment:

Equipment, fixtures and fittings 5-20 years

The depreciation methods and the residual value and useful lives of the assets are tested at each year end.

Investment properties

Investment properties are those held with a view to generating income from property or value appreciation or a combination of the two. Investment properties are initially recognised in the balance sheet at cost, which includes expenses directly attributable to the acquisition. Thereafter, investment properties are recognised in the balance sheet at fair value. If the Group starts a conversion of an existing investment property for continued use as an investment property, the property continues to be recognised as an investment property which is recognised under the fair value method. This remeasurement of fair value over the course of the year takes place through an internal valuation, which is described in more detail in Note 11. This valuation model means a present value estimate of assessed future payment flows. If, during the current year, any significant value changes exist for individual properties, revaluation is carried out in conjunction with the quarterly reports. Quality assurance is carried out of any internal valuations performed through taking samples, which are then externally valued every year, after which a reconciliation is carried out for internal and external valuations. Investment properties are at level 3 in the valuation hierarchy.

Both unrealised and realised value changes are recognised in profit or loss. Realised value changes pertain to changes in value over the last financial quarter for properties sold. Unrealised value changes pertain to other changes in value. On the acquisition of properties or companies the transaction is usually recorded as of the occupancy date, since the risks and benefits of ownership typically accrue as of that date. Rental income and income from property sales are recognized in accordance with the principles described in the section on operating income.

Additional expenses

Additional expenses are added to carrying amounts. Additional expenses are added to the carrying amounts only if it likely that the future financial benefits associated with the asset will accrue to the company and the cost can be estimated in a reliable manner. All other additional expenses are recognised as a cost in the period they arise. Repairs are expensed as expenditure arises.

Borrowing costs that are directly attributable to purchases, construction or production for larger new builds, extensions and conversions of assets that take considerable time to complete for the intended use or sale are included in the cost of the asset. Capitalization of borrowing costs is carried out with the prerequisite that it is likely that these will lead to future financial benefits and the costs can be reliably measured.

Impairment

The carrying amounts for the Group's assets are reviewed on each balance-sheet date to ascertain whether any need for impairment exists. IAS 36 is applied for testing the need for impairment of assets other than financial assets, which are tested under IAS 39, IAS 40 – Investment Properties Carried at Fair Value and deferred tax assets. The valuation of the excepted assets as noted above is tested in accordance with the applicable standard.

Impairment testing of tangible assets and participations in subsidiaries, associated companies, joint ventures, etc.

If an indication of a need for impairment exists, the recoverable amount of the asset is estimated under IAS 36 as the higher of the asset's value in use and fair value less selling expenses. When calculating the value in use, future cash flows are discounted at an interest rate before tax that takes into account the market's assessment of the risk-free interest rate and the risk associated with the specific asset. If it is not possible to establish substantially independent cash flows to individual assets, the assets are grouped for impairment testing at the lowest level where substantially independent cash flows can be identify (known as a cash generating unit). Impairments are recognised when the carrying amount of an asset or cash generating unit exceeds its recoverable amount. Impairment losses are expensed in profit or loss.

Impairment testing of financial assets

In conjunction with every report, the company makes an assessment of whether objective evidence exists a financial asset or group of assets requires impairment. Objective evidence consists partly of observable conditions which have occurred and which have a negative impact on the ability to recover the cost, as well as from significant or prolonged decline in the fair value of a financial investment classified as an available-for-sale financial asset.

Any impairment of loan receivables and accounts receivable, which are recognised at amortised cost, is calculated as the present value write-down of future cash flows discounted at the applicable effective interest rate when the asset was initially recognised. Assets with short maturities are not discounted. Impairment losses are expensed in profit or loss.

Impairments losses are not reversed

Impairments are reversed if indications exist that the impairment need no longer exists and a change has occurred in the underlying assumptions for the calculation of the recoverable amount. A reversal is only carried out to the extent that the asset's carrying amount does not exceed the carrying amount that would have been reported after any applicable deduction for depreciation, if no impairment had been carried out.

Impairment of loan receivables and accounts receivable that are recognised at amortised cost are reversed if a subsequent increase in amortised cost can objectively be attributed to an event occurring after the impairment was made.

Cash-flow statement

The cash-flow statement is prepared in accordance with the indirect method. The recognised cash flow only comprises transactions that entail payments in or out. Cash and cash equivalents in the cash-flow statement correspond to the definition of cash and cash equivalents in the balance sheet.

Share capital

Buyback of Catena shares

Holdings of treasury shares and other equity instruments are recognised as a reduction in equity. The acquisition

of such instruments is reported as a deduction from equity. Proceeds from disposals of equity instruments are recognised as an increase in equity. Transaction expenses directly attributable to the issue of new shares or warrants are recognised, net of tax, in equity as a deduction from the issue proceeds.

Earnings per share

Calculation of earnings per share is based on consolidated profit for the year attributable to the Parent Company's shareholders and the number of shares outstanding at year-end. No instruments that entail dilution effects exist for the 2013 and 2012 financial years.

Employee benefits

Short-term employee benefits in the form of salaries, holiday pay, paid sick leave, etc. as well as social security contributions are recognised as these are earned.

Pensions

Catena has various pension plans. Generally, the pension plans are funded through payments to insurance companies or nominee registered funds, where payments are determined by periodic actuarial calculations. Agreements regarding pensions and other compensation paid after termination of employment are classified as defined-contribution or defined-benefit pension plans. A defined-contribution pension plan is a pension plan, whereby Catena pays defined premiums to a separate legal entity. Catena has no legal or informal obligations to make further payments if the legal entity has insufficient assets to discharge all payments of employee benefits relating to employee service in current or prior periods. A defined-benefit pension plan is a pension plan without defined contributions. Instead, defined-benefit plans specify an amount that the employee will receive as a pension benefit following retirement. This is normally based on several factors including age, length of service and salary. Catena has defined-contribution pension plans and commitments for pensions under the so-called ITP plan which, according to a statement issued by the Swedish Financial Reporting Board UFR 6, is a multi-employer defined-benefit plan.

The company has not been provided with information for the 2004-2013 financial years that would allow the reporting of its commitments under the ITP plan as a defined-benefit plan. Accordingly, commitments under the ITP plan, which are secured through an insurance with Alecta, are reported as a defined-contribution plan. The year's fees for pension insurance contracted with Alecta amounted to SEK 12.1 M (0.0). For 2014, the company is expected to pay about SEK 1.0 M to Alecta. Alecta's surplus can be distributed to the policy owners and/or insured parties. At the end of 2013, Alecta's surplus in the form of the collective consolidation level was 148% (129). The collective consolidation level comprises the market value of Alecta's assets as a percentage of the insurance obligation calculated in line with Alecta's actuarial assumptions, which do not comply with IAS 19.

Commitments as regards fees for defined-contribution plans are recognised as an expense in profit or loss as they arise.

Termination benefits

Termination benefits are payable when employment is terminated by Catena in advance of the normal retirement date or if an employee accepts leaving service voluntarily to receive such benefits. Catena recognises termination benefits when the Group is demonstrably required to terminate employees according to a detailed formal plan without possibility of withdrawal. Benefits that fall due more than 12 months after the balance-sheet date are discounted to present value.

Provisions

A provision is recognized in the balance sheet when the Group has an existing legal or informal commitment due to an event that has occurred and it is likely that an outflow of resources will be required to settle the commitment, and a reliable estimate of the amount can be made. A present value calculation is made to take into account significant time values for future payments.

Contingent liabilities

A contingency is recognised when there is a potential commitment that stems from events that have occurred and whose existence is confirmed only if one or more uncertain future events, which are outside of the company's control, occur or do not occur, or when there is a commitment that stems from events that have occurred, but which is not recognized as a liability or provision because it is unlikely that an outflow of resources will be required to settle the commitment or because the amount cannot be reliably calculated.

Leasing – lessee

Leases are classified in the consolidated financial statements either as financial or operational leasing. Financial leasing exists when the economic risks and benefits associated with ownership are, essentially, transferred to the lessee, and where this is not the case the lease is defined as operational leasing. Operational leasing means that the leasing fee is recognised as a cost in profit or loss, and allocated over the term, starting from initial utilization, which may differ from what has actually been paid in the form of leasing fees during the year.

Leasing – lessor

The Group enters into operational leases with customers in its capacity as landlord, see Note 4. Accounting policies for the recognition of rental income are stated above.

Significant assessments in the Group's accounting policies

Catena's acquisition of Brinova Logistik has been deemed to comprise a reverse acquisition since it led to a material change in the ownership structure of the Group. This means that from an accounting standpoint, Brinova Logistik is deemed the acquirer and, accordingly, the financial statements have been prepared as a continuation of this company. The actual acquisition of Catena is assessed as an asset acquisition, which means that the value of the issue made is based on the group of assets acquired.

NOTE 3

Operating segment information

Income	Stockholm		Gothenburg		Öresund		Projekt Solna		Central administration and eliminations		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Income from property	142.1	145.9	90.9	52.5	77.2	87.8	6.6	-	-	-	316.8	286.2
Property expenses	-40.3	-44.0	-28.9	-14.9	-24.3	-42.4	-2.0	-	-	-	-95.5	-101.3
Net operating surplus	101.8	101.9	62.0	37.6	52.9	45.4	4.6	-	-	-	221.3	184.9
Central administration	-	-	-	-	-	-	-	-	-8.6	-	-8.6	-
Other operating income	-	-	-	-	-	-	-	-	2.1	1.9	2.1	1.9
Other operating expenses	-	-	-	-	-	-	-	-	-2.1	-1.9	-2.1	-1.9
Participations in joint venture profits	-	-	-	51.2	4.6	-0.7	-	-	-	-	4.6	50.5
Financial income	9.0	8.4	9.5	5.5	5.5	5.7	2.4	-	-8.0	0.5	18.4	20.1
Financial expenses	-33.7	-38.9	-24.3	-14.3	-21.1	-23.5	-1.1	-	-8.5	-	-88.7	-76.7
Profit from property management	77.1	71.4	47.2	80.0	41.9	26.9	5.9	-	-25.1	0.5	147.0	178.8
Realised changes in value from investment properties	-	-	-	-	2.2	27.5	-	-	0.2	-	2.4	27.5
Unrealised changes in value from investment properties	1.4	-1.8	17.8	10.2	12.5	17.6	-	-	-0.8	-	30.9	26.0
Changes in value of derivatives	-	-	-	-	-	-	-	-	4.4	-	4.4	-
Pre-tax profit	78.5	69.6	65.0	90.2	56.6	72.0	5.9	-	-21.3	0.5	184.7	232.3
Tax	-	-	-	-	-	-	-	-	-	-	-46.3	-12.0
Profit for the year											138.4	220.3

Balance sheet	Stockholm		Gothenburg		Öresund		Projekt Solna		Central administration and eliminations		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Investment properties	1,883.7	1,625.2	1,152.3	1,055.2	801.3	702.0	885.0	-	-	-	4,722.3	3,382.4
Property, plant and equipment	-	-	-	-	-	-	-	-	1.1	-	1.1	-
Participations in joint ventures	-	-	-	-	-	-	-	-	26.2	25.9	26.2	25.9
Other assets	337.3	284.5	382.3	246.6	127.4	108.1	311.4	-	-870.0	-604.4	288.4	34.8
Total assets	2,221.0	1,909.7	1,534.6	1,301.8	928.7	810.1	1,196.4	-	-842.7	-578.5	5,038.0	3,443.1
Equity	731.7	607.9	631.2	611.9	272.0	227.7	772.3	-	-770.7	-719.8	1,636.5	727.7
Liabilities to credit institutions	1,300.0	1,027.8	790.1	570.7	558.0	449.6	306.4	-	-	-	2,954.5	2,048.1
Other liabilities	189.3	274.0	113.3	119.2	98.7	132.8	117.7	-	-72.0	1 41.3	447.0	667.3
Total equity and liabilities	2,221.0	1,909.7	1,534.6	1,301.8	928.7	810.1	1,196.4	-	-842.7	-578.5	5,038.0	3,443.1
Other disclosures												
Investments in investment properties and property, plant and equipment	-257.4	-154.1	-79.3	-546.3	-90.4	-29.9	-885.0	-	-0.2	-	-1,312.3	-730.3
Amortisation and depreciation	-	-	-	-	-	-	-	-	-0.1	-	-0.1	-
Unrealised changes in value, investment properties	1.4	-1.8	17.8	10.2	12.5	17.6	-	-	-0.8	-	30.9	26.0
Fair value of derivatives	-	-	-	-	-	-	-	-	-	-	4.4	-

Transfer prices between the Group's various segments are calculated at market rates.

Directly attributable items and items that can be allocated to segments on a reasonable basis are included in the earnings, assets and liabilities for each segment. The allocation of property administration costs was primarily based on the area. The segments' investments in property, plant and equipment and investment properties include all investments apart from investments in short-term inventories and inventories of minor value.

The Parent Company's earnings, after allocation of the results of sales of participations in Group companies, are included in the unallocated amount. Following elimination of participations in Group companies and intra-Group settlement as well as redistribution of participations in joint ventures, the Parent Company's assets and liabilities are included in the unallocated amount.

The Group's segments comprise the following areas:

Stockholm – comprises 21 properties in Norrköping, Karlstad, Katrineholm, Södertälje, Örebro, northern and southern Stockholm as well as individual properties in the north of Sweden.

Gothenburg – comprises ten properties in Gothenburg, Borås and Jönköping.

Öresund – comprises 13 properties in Helsingborg, Åstorp, Malmö, Kristianstad, Halmstad and Ljungby.

Projekt Solna – comprises one development property in Haga Norra in Solna.

Catena's operating segments have been established based on information, which Catena's Board (the CODM at Catena) has gathered to evaluate and make strategic decisions.

Income of about SEK 130.2 M (120.0) pertains to one individual external customer. This income is spread across the various regions.

All operations are carried out in Sweden and, accordingly, all turnover was generated and all non-current assets located in Sweden.

NOTE 4

Income from property

Duration of leases as of 31 December 2013
Operational leases disclosures – the Group as lessor.

Maturity	No. of contracts	Contractual annual rent, SEK M	Contractual annual rent, %
2014	81	27.0	7.4
2015	21	19.6	5.4
2016	22	79.3	21.7
2017	19	59.2	16.2
2018	5	17.6	4.8
2019	2	0.1	0.0
2020+	28	161.6	44.2
Parking spaces and other	9	1.3	0.3
Total	187	365.7	100.0

Contracted income from property as of 31 December 2013 by size of contract

Contracted income from property by contract, SEK M	No. of contracts	Annual contracted income from property, %
Commercial property lease		
>10.0	8	41.1
5.0-10.0	18	37.2
3.0-5.0	5	5.5
2.0-3.0	7	4.7
1.0-2.0	13	5.1
0.5-1.0	16	3.2
<0.5	111	2.8
Total commercial property leases	178	99.6
Parking spaces and other	9	0.4
Total	187	100.0

NOTE 5

Property expenses and central administration

Property expenses	2013	2012
Operating costs	23.8	22.4
Repair and maintenance	12.9	22.5
Property maintenance and technical inspection	8.6	8.0
Property tax and ground rent	18.5	15.0
Other external expenses	8.0	11.7
Property administration	23.7	21.7
Total	95.5	101.3

Central administration	2013	2012
Personnel expenses	7.3	-
Services purchased	1.2	-
Depreciation of property, plant and equipment	0.1	-
Total	8.6	-

Within the Group, part of the Parent Company's costs are invoiced on to subsidiaries and classified at subsidiaries and the Group respectively as property expenses.

NOTE 6

Fees and expenses to auditors

	2013	2012
<i>PwC</i>		
Audit engagement	1.5	-
Audit activities in addition to the audit engagement	1.1	-
Tax consultancy	0.2	-
Other services	0.5	-
Total	3.3	-

Fees for audit engagements pertain to fees for the statutory audit, that is all work necessary to prepare the auditors' report, as well as audit advice provided in conjunction with the audit engagement.

Audit activities in addition to the audit engagement pertain to fees for various types of quality assurance services.

Other services pertain to activities not included in the audit engagement, audit activities or tax consultancy services.

Costs for audits and other assignments from PwC pertaining to all subsidiaries were charged to the Parent Company.

NOTE 7

Leasing fees pertaining to operational leasing

	2013	2012
Minimum leasing fees ¹⁾	8.7	9.0
Total	8.7	9.0

1) There were no variable fees.

Contractual future minimum leasing fees pertaining to non-cancellable leases fall due:

	2013	2012
Within one year	9.0	9.9
Between one and five years	34.6	34.6
Longer than five years	253.6	263.9

The company's operational leases mainly comprise leasehold agreements and, to a minor extent, operational vehicle leases.

NOTE 8

Employee and personnel expenses

Catena AB's acquisition of Catena Logistik AB (formerly Brinova Logistik AB) is recognised as a reverse acquisition, which means that Catena Logistik AB is treated, for accounting purposes, as the acquirer in the transaction. For more information, see Note 2 Accounting policies, Significant assessments. Catena Logistik and subsidiaries had no employees in 2012.

Average number of employees	2013	of which men	2012	of which men
Employees in Sweden	5	66%	-	0%

Gender balance of Board and senior management	Board		Senior executives	
	2013	2012	2013	2012
Men	83%	100%	100%	0%
Women	17%	0%	0%	0%

Salaries, fees, benefits and other remuneration

	2013	2012
Chairman of the Board	0.1	-
Other Board members	0.1	-
Chief Executive Officer		
Base salary	0.9	-
Other remuneration	0.0	-
Other senior executives (4 individuals)		
Base salary	1.1	-
Other remuneration	0.1	-
Other employees	1.9	-
Total	4.2	-

Pension costs

	2013	2012
Chief Executive Officer	0.3	-
Other senior executives (4 individuals)	0.7	-
Other employees	3.1	-
Total	4.1	-

Statutory social security contributions incl. payroll tax

	2013	2012
Chairman of the Board	0.0	-
Other Board members	0.0	-
Chief Executive Officer	0.4	-
Other senior executives (4 individuals)	0.4	-
Other employees	1.3	-
Total	2.1	-
Overall	10.4	-

Remuneration to the Board and CEO pertains to the Board and CEO of the Parent Company.

Directors' fees and terms of employment and dismissal for senior executives

Policies

Remuneration paid to the CEO and other senior executives comprises base salary and other remuneration (which comprises bonus and mileage allowance) and pension. The term senior executives refers to the four individuals at Catena who, together with the Chief Executive Officer, comprise the senior management. For the composition of senior management, see page 47.

Pension benefits and other remuneration paid to the CEO and other senior executives is paid as part of total remuneration.

For services rendered in respect of business management as well as financial and real estate advice, remuneration at market rates of SEK 0.2 M (-) and SEK 0.2 M (-) respectively was paid to companies owned by the Board members Erik Paulsson and Andreas Philipson, who was CEO for part of 2013. The amounts are not included in the above table. Directors' fees to Board member Lennart Schönning, who stepped down in 2013, were paid to one of Lennart Schönning's own companies.

Bonus

Bonus is payable to the CEO in an amount of 1% of consolidated pre-tax profits, to the extent this amount exceeds the budget set by the Board, with a cap set at an amount corresponding to 50% of fixed salary in the same calendar year. Bonus decisions are made on an annual basis and do not imply any entitlement to bonuses in coming years, nor do bonuses qualify for pension purposes. In addition, senior executives can receive a bonus in addition to their fixed salaries. Other senior executives can receive a maximum bonus of 25% of their fixed annual salary. The main Group policy is a fixed monthly salary. For a number

of individuals engaged in renting and development work at the company, a performance-based bonus system exists within the framework of the remuneration policy, whereby renting and development performance that exceeds budget provides possibilities for a maximum bonus of one month's salary. In some cases the target is not measurable. This type of bonus is only permitted to amount to 20% of the total bonus.

The Remuneration Committee prepares the item regarding the Board's bonus commitments for 2013 in spring 2014. The bonus expense arises when the decision is made by the Remuneration Committee. No bonus was paid in the Group in 2013.

The bonus system only comprises one year at a time, currently only 2013. The Remuneration Committee is responsible for evaluation of the system and the outcome.

Pensions

The pension age of the Chief Executive Officer is 65. Pension contributions are made at 35% of pensionable salary. Contractual ITP is utilised first and, thereafter, the remainder is allocated to other pension insurances. Pensionable salary is calculated according to the ITP plan's rules.

The pension age for the Deputy CEO and other senior executives (4 individuals in total) is 65. Their pensions are secured through insurances. The pension agreements stipulate pension premiums of 28-35% of pensionable salary. In addition, other senior executives are also covered by the ITP agreement.

The pension expense corresponds to expenses for defined-benefit plans under IAS19.

Severance pay

On termination by the Company, in addition to salary for the 12-month (6) notice period, a severance payment amounting to at most amount to 12 months' salary is payable to the Chief Executive Officer. Should the CEO secure other employment or start his own operations, the severance payment is offset by income from the new employer. In the event of notice being provided by the CEO, the notice period is six months.

The employment contracts with the Deputy CEO and other senior executives can be terminated by Catena with a notice period of six months. In addition to salary during the notice period, severance pay corresponds to six months' salary and is paid at the end of the notice period. Should Catena release the executives from the obligation to work during the notice period, any income from new employment or own operations is offset against salary from Catena. In the event of notice being provided by the executive, the notice period is six months. In this case no severance payment is made.

During the year, Andreas Philipson stepped down as CEO and took up a place on Catena's Board. No severance payment was made to senior executives whose employment ended.

Preparation and decision process

During the year the Remuneration Committee provided the Board with recommendations for policies for remuneration to senior executives. The recommendations included the proportions between fixed and variable remuneration and the amount of any pay increases. The Remuneration Committee appointed by the Board prepares, negotiates and submits proposals to the Board regarding the terms for the CEO. Following proposals from the CEO, the Remuneration Committee determines remuneration to other senior executives. The Remuneration Committee also decides whether any bonus is payable and then evaluates the system and the outcome.

All decisions taken by the Remuneration Committee are reported back to the Board.

The Remuneration Committee met on one occasion in 2013.

NOTE 9

Financial income and expenses

Financial income	2013	2012
Interest income	18.4	20.1
Total	18.4	20.1
Financial expenses		
Interest expenses	-87.5	-74.7
Other financial expenses	-1.2	-2.0
Total	-88.7	-76.7
Net financial items	-70.3	-56.6

NOTE 10

Tax

Recognised in profit or loss	2013	2012
<i>Current tax</i>		
Tax for the year	-	-14.1
Total	-	-14.1
<i>Deferred tax</i>		
Investment properties	-49.9	-32.2
Derivatives	-1.0	-
Tax loss carry-forwards	4.4	-6.5
Tax allocation reserves	0.5	1.1
Other	-0.3	-
Remeasurement at 22%	-	39.7
Total	-46.3	2.1
Total recognised tax	-46.3	-12.0

Reconciliation of effective tax	2013	2012
Pre-tax profit	184.7	232.3
Tax according to current rate: 22%	-40.6	-61.1
Non-deductible expenses	-0.9	-0.5
Tax attributable to preceding years	-6.6	-
Non-taxable sales of companies	-	7.2
Other non-taxable income	0.8	-
Remeasurement of deferred tax	-	29.1
Tax on participations in joint venture profits	1.0	13.2
Other	-	0.1
Recognised effective tax	-46.3	-12.0

The recognised effective tax rate in per cent totalled 25.1 (5.2).

Recognized in the balance sheet:

	2012				2013		
	OB 2012	Recognised in profit or loss	Acquisition/disposal of company	CB 2012	Recognised in profit or loss	Acquisition/disposal of company	CB 2013
Deferred tax asset							
Investment properties	0.8	0.8	2.3	3.9	-	8.3	12.2
Tax loss carry-forwards	4.4	7.5	-10.6	1.3	4.1	-1.5	3.9
Total deferred tax assets	5.2	8.3	-8.3	5.2	4.1	6.8	16.1

Deferred tax liabilities

Investment properties	212.8	-6.7	-7.0	199.1	49.9	8.9	257.9
Derivatives	-	-	-	-	1.0	-	1.0
Tax allocation reserves	16.8	-3.7	-	13.1	-0.5	1.1	13.7
Total deferred tax liabilities	229.6	-10.4	-7.0	212.2	50.4	10.0	272.6

NOTE 11

Investment properties

Investment properties are recognised at fair value.

Change for the year	2013	2012
Opening balance	3,382.4	2,796.2
Acquisitions	1,125.6	523.7
New builds, extensions and conversions ¹⁾	186.7	206.6
Sales	-3.3	-170.1
Unrealised value changes	30.9	26.0
Carrying amount	4,722.3	3,382.4

Assessed value	2013	2012
Assessed value, buildings	1,445.3	1,194.4
Assessed value, land (of which leaseholds total SEK 107.4 M)	744.1	306.6
Total	2,189.4	1,501.0

Impact on profit for the year	31 Dec 2013	31 Dec 2012
Income from property	316.8	286.2
Property expenses before property administration costs for investment properties that generate income from property	78.9	78.7
Property expenses before property administration costs for investment properties that do not generate income from property	0.9	0.9

1) Borrowing costs are expensed to earnings in the period to which they pertain except for the interest expense under the production time pertaining to larger new builds, extensions and conversions that take considerable time to complete. These are organised as their own companies where all borrowing pertains to these new builds, extensions and conversions, which means that interest expense attributable loans in these companies is capitalised. Capitalised interest expense was SEK 2.0 M (-).

Investment properties by region	Stockholm	Gothenburg	Öresund	Projekt Solna	Total
No. of properties	21	10	13	1	45
Lettable area, thousand sq.m.	293.1	184.4	172.4	40.7	690.6
Carrying amount, SEK M	1,883.7	1,152.3	801.3	885.0	4,722.3

Fair value is established based on an internal valuation model that is updated every quarter. The calculation of fair value for each individual property is performed using a six-year cash flow model.

The most significant variables, which are vital to the estimated fair value, in the model are the yield requirement and the estimated real growth, i.e. the inflation assumption. Other key variables are net operating surplus

Valuation categories for investment properties

Change for the year	Logistics properties	Projekt Solna	2013
Opening balance	3,382.4	-	3,382.4
Acquisitions	240.6	885.0	1,125.6
New builds, extensions and conversions	186.7	-	186.7
Sales	-3.3	-	-3.3
Unrealised value changes	30.9	-	30.9
Carrying amount	3,837.3	885.0	4,722.3

Valuation categories for investment properties

Change for the year	Logistics properties	Projekt Solna	2012
Opening balance	2,796.2	-	2,796.2
Acquisitions	523.7	-	523.7
New builds, extensions and conversions	206.6	-	206.6
Sales	-170.1	-	-170.1
Unrealised value changes	26.0	-	26.0
Carrying amount	3,382.4	-	3,382.4

All of the Group's properties are assessed as being at level 3 in the valuation hierarchy. The Group's properties comprise primarily logistics properties, which have similar risk profiles and valuation methods. The Group also has one significant project property. Since the risk profile and valuation method differ to some extent between project and logistics properties, the Group has made the assessment that disclosures should be provided for these two classes of properties.

and the long-term vacancy rate.

Among other items, the applicable market risk-related interest rate for property investments is used to establish the yield requirement. This is based on a number of factors including market interest rates, debt/equity ratio, inflation forecasts and the required return on paid-in capital. However, property-specific conditions also impact the yield requirement. The yield requirement is the property's

net operating surplus in relation to its fair value.

The level of annual future inflation is assessed as being 2%. The approved yield is used as the discount rate with a supplement for annual inflation.

Net operating surplus is the difference between income from property and operating and maintenance costs (property expenses before property administration costs).

The starting point is the current forecast for net operating surplus based on the last year's outcome. However, income and operating and maintenance costs for an individual year can be impacted by factors that are not regularly recurring under the long life of the property. If this should prove to be the case for the actual forecast values, the amounts for the individual year are normalised.

Income can be normalised if the estimated rent trend over the six-year period is assessed as deviating from the initial forecast. In which case, this is performed based on expected changes in property income based on the individual contract's current rent versus the assessed market rent at the contract maturity date and changes in long-term vacancy rates.

In addition, operation and maintenance costs can be the

subject of normalisation, based on an analysis of historical as well as current costs with respect to the tenant's and the landlord's obligations under the lease.

When all variables have been established based on the above description, a calculation of the present value is carried out for the next five years' net operating surplus in the cash-flow model. In addition, the present value of the residual value is based on the net operating surplus from year six in this model. Thereafter, any adjustment for the value of ongoing projects and land with unutilised development rights is carried out.

The total of these values comprises the estimated fair value. Nevertheless, a degree of deviation is permitted between the estimated value and the carrying amount before adjustment of the carrying amount is performed. The deviation should be in an interval controlled by a permitted deviation from the established yield requirement of +/- 0.25%. The carrying amount is only adjusted when the deviation exceeds the boundaries of this interval. This deviation is accepted since there is always an element of uncertainty in the estimated value.

Compilation of outcomes for significant variables and the normalised amounts used in the internal valuation model:

For definitions, see page 91.

	Outcome					Normalised amount ¹⁾
	Stockholm	Gothenburg	Öresund	Projekt Solna	Totalt	Total
Rental value, SEK M	191.0	116.9	84.4	27.0	419.3	370.8
Economic letting ratio, %	85.1	81.9	96.1	97.8	87.2	83.8
Contractual annual rent, SEK M	162.5	95.7	81.1	26.4	365.7	310.6
Net operating surplus before property administration costs, SEK M	111.2	69.0	58.7	6.1	245.0	298.6
Property yield before property administration costs, %	5.9	6.0	7.3	0.7	5.2	6.3
Surplus ratio before property administration costs, %	78.3	75.9	76.0	91.0	77.3	96.1
Discount rate						8.3

1)) Based on the property portfolio at year end. The normalised surplus ratio is based on the contractual annual rent.

The substantial variance between outcomes for net operating surplus before property administration costs and the normalised amounts is largely attributable to a large number of projects in 2013 that only generated costs but which, in the normalised amounts, were calculated on the net operating surplus generated when the projects are completed.

The fair market value can first be established when it is sold. The fair value calculations under the above model include various assessment factors that contain an element of uncertainty.

External valuations are carried out for a selection of the property portfolio to secure the quality of the internal valuations. Such valuations were carried out as of 30 September 2013 for all properties included in the Catena Logistik Group in conjunction with its acquisition by Catena AB and these valuations were performed by Newsec Advise AB.

In addition to the above, the valuation of Projekt Solna is based on the valuation of development rights under the detailed development plan, which is largely based on local price surveys. The valuation also takes into consideration the fact that the detailed development plan is an ongoing process and the time risks in conjunction with the development of the project. In addition to the internal valuation, an external valuation of Projekt Solna was carried out in conjunction with the reverse acquisition of Catena Logistik and this valuation was performed by Forum and CBRE.

Since all property valuations contain assessment factors with varying degrees of uncertainty, normally, a specific uncertainty interval is stated for the estimated values. Accordingly, on comparison of the internally calculated

values and the external valuations, a deviation interval of +/-10% between these values is accepted before the internal values are subjected to any retesting. Comparison is made at the total level for the externally valued portfolio.

No. of properties valued	2013	2012
No. of properties	45	22
External valuation, SEK M	4,733.0	2,574.0
Corresponding internal valuation, SEK M	4,722.3	2,540.0
Deviation, SEK M	10.7	34.0
Deviation, %	0.2	1.3
Total carrying amount	4,722.3	3,382.4
Proportion valued externally, %	100	75.1

Sensitivity analysis

The parameters that significantly impact the value of a property are the discount rate and the rental value. Assumptions including interest rates, debt/equity ratio, inflation assumptions, the required return on paid-in capital, property location, tenant structure, etc. are included in the discount rate. Rental value reflects the market's view of what tenants are willing to pay for real estate space.

To illustrate how a change of +/-1% in these parameters impacts the estimated fair value, the following sensitivity analysis can be carried out:

Change	Impact	
	+1%	-1%
Discount rate, SEK M	-200	119
Rental value, SEK M	164	-247

NOTE 12

Property, plant and equipment

Equipment, fixtures and fittings	2013	2012
Opening cost	-	-
Acquisitions	1.2	-
Closing cost	1.2	-
Opening depreciation	-	-
Depreciation for the year	-0.1	-
Closing depreciation	-0.1	-
Carrying amount	1.1	-

Depreciation is distributed over the following items in profit or loss.

	2013	2012
Administration costs	0.1	-

NOTE 13

Participations in joint ventures

	2013	2012
<i>Accumulated cost</i>		
Opening balance	25.9	85.0
Acquisitions	-4.3	-
Sales	-	-109.6
Remeasurement at fair value ¹⁾	-	46.0
The year's participation in profit after tax	4.6	4.5
Carrying amount at year end	26.2	25.9

1) Reclassification of holdings sold to subsidiaries (on disposal) by the joint venture were valued at fair value in accordance with the accounting policy. The price per share obtained from the sale has been used as the fair value.

Pertains to the percentage of share capital, which corresponds to the proportion of voting rights.

PeBri Projektutveckling AB is carrying out a joint venture project outside Halmstad.

Fastigheten Preppen HB (Preppen) is developing the former Pripps'/Carlsberg's property in Gothenburg and, as of 31 December 2012, the company was wholly owned after PEAB sold its remaining 50% share to the Group.

Log. Sunnanå AB runs projects and develops logistics facilities in Burlöv outside of Malmö.

Log. Tostarp AB is a property owning company that develops logistics facilities in eastern Helsingborg.

All of the joint ventures are owned together with Peab. The difference between the equity value using the equity method in the consolidated financial statements compared with the value of the participation if recognised under the acquisition cost method amounts to SEK 4.6 M (4.4).

The Group's participation in joint venture profits, all of which are unlisted, and its share of assets (including surplus values from the acquisition analysis) and liabilities are as follows:

2013

Joint venture	Corp. Reg. No.	Domicile	Participation	Assets	Liabilities	Income	Earnings	Carrying amount
PeBri Projektutveckling AB	556752-1108	Ängelholm	50%	0.7	0.0	-	0.0	0.7
Log. Sunnanå AB	556699-7788	Ängelholm	50%	2.6	0.0	0.1	0.0	2.6
Log. Tostarp AB	556667-8784	Ängelholm	50%	58.5	35.6	1.7	0.3	22.9
Total				61.8	35.6	1.8	0.3	26.2

2012

Joint venture	Corp. Reg. No.	Domicile	Participation	Assets	Liabilities	Income	Earnings	Carrying amount
Fastigheten Preppen HB	969684-0983	Gothenburg	0%	-	-	17.6	5.3	-
PeBri Projektutveckling AB	556752-1108	Helsingborg	50%	0.7	-	3.7	-1.0	0.7
Log. Sunnanå AB	556699-7788	Helsingborg	50%	2.6	0.0	-	0.0	2.6
Log. Tostarp AB	556667-8784	Helsingborg	50%	58.1	35.5	1.8	0.2	22.6
Total				61.4	35.5	23.1	4.5	25.9

NOTE 14

Accounts receivable

Time analysis of accounts receivable that are past due but not impaired

	2013	2012
< 30 days	0.8	0.3
31-60 days	0.7	0.6
61-90 days	0.0	0.2
>91 days	1.2	0.1
Total	2.7	1.2
Not yet due	9.2	4.2
Total	11.9	5.4

The Group's total accounts receivable amounted to SEK 14.9 M (6.0).

Impaired receivables	2013	2012
Opening provision	0.6	0.9
Provision for probable losses	2.4	0.1
Previous probable losses, paid	0.0	-0.1
Acquired provisions	0.0	0.9
Confirmed losses	0.0	-1.2
Closing provision	3.0	0.6

A provision is made for accounts receivable in excess of 30 days unless the assessment is that the customer's payment problems are of short-term transient nature.

NOTE 17

Equity and earnings per share

No. of registered shares		No. of shares	Total No. of shares
New share issue	17 May 1999	490,754	11,555,662
Bonus issue	9 Feb 2006	8,838	11,564,500
Private placement	18 Oct 2013	13,630,952	25,195,452
Number of registered shares			25,195,452

Earnings per share, calculated on earnings attributable to the Parent Company's shareholders during the year, (expressed in SEK per share)

	2013	2012
Profit for the year	140.2	227.7
Ordinary shares outstanding	25,195,452	11,564,500
Weighted average of ordinary shares outstanding	14,290,690	11,564,500
Earnings per share before dilution, SEK	9.81	19.26

No dilution effects arose in 2012 or 2013.

Capital

Catena's goal with asset management is to ensure that funding and liquidity is secured, that financial risk exposure is kept within the mandate decided by the Board and that payment systems are appropriate.

Catena defines capital as total equity as recognised in the balance sheet.

NOTE 15

Other receivables

	31 Dec 2013	31 Dec 2012
Current receivable, Backahill Holding AB	15.8	0.0
VAT receivables	4.9	17.3
Other receivables	0.9	0.2
Total	21.6	17.5

NOTE 16

Prepaid expenses and accrued income

	31 Dec 2013	31 Dec 2012
Administration and property expenses	1.0	0.2
Prepaid interest, etc.	0.1	-
Prepaid project expenses	17.1	1.8
Prepaid ground rent	1.8	2.6
Accrued income	0.1	0.8
Total	20.1	5.5

Catena's financial targets are stated below:

	2013 Target	2013 outcome
In the long-term, dividends should amount to 50% of profit from property management less standard rate tax.	>57.3 SEK M	51 SEK M
Interest-coverage ratio	>1.75 times	3.2 times
The return on equity is to exceed the interest rate on a five-year treasury bond by at least 5 percentage points.	>6.8 %	11.7 %
Equity ratio	>30 %	32.6 %

Catena has prepared a financial policy that regulates which financial instruments that may be used, which investments that may be made, how lending is to be carried out as well as the management of interest rate exposure on borrowings.

The main external capital requirements that Catena is subject to as regards property loans are an interest-coverage ratio of 1.5, a loan-to-value ratio of less than

70-80% and an equity ratio in excess of 25%. With the exception of one subsidiary, which did not meet the interest-coverage ratio requirement, the Group's companies have met all external covenants. The Parent Company has pledged additional guarantees for this company. In addition, for the company that did not meet the requirement, a higher interest rate was applied for the period the requirement was not met.

NOTE 18

Financial instruments and financial risk management

Financial policy

The Group's assumption of financial risk is governed by the risk mandate set by Catena's Board. The Group's treasury management is carried out by Catena AB, which is tasked with ensuring that funding and liquidity is secured, that financial risk exposure is kept within the mandate decided by the Board and that payment systems are appropriate.

Catena's policy is that net debt (interest-bearing liabilities less cash and cash equivalents) will be mainly covered by borrowing with a loan term between nought and ten years. All borrowing is in SEK. Catena's aim is, where possible, that loan terms should be adapted to the duration of leases signed. The loan portfolio has been adapted to the risk strategy through the use of fixed-rate loans, interest-rate swaps and interest-rate cap agreements to adjust fixed-interest terms.

Financing and financing risks

Interest-bearing liabilities at Catena comprise mainly liabilities to credit institutions and liabilities to joint ventures. At 31 December 2013, liabilities to credit institutions were SEK 2,963.0 M (2,058.9).

Financing comprises property loans against mortgage deeds as collateral, in some cases, the shares of subsidiaries have been pledged as collateral. Property loans are subject to the following covenants: the interest-coverage ratio must exceed 1.5, the loan-to-value ratio may not exceed 70-80% of market value and the equity ratio must exceed 25%. See Note 17 for more information about target fulfilment.

The aim of Catena's liquidity planning is to ensure that liquidity is always available to meet payment obligations at a given time. Catena makes overall liquidity forecasts each quarter, which then form the basis for ongoing work. To minimize the cost of Catena's borrowing and to ensure that financing can be obtained, the company has committed credit facilities in place that cover the need for operating loans. Furthermore, Catena endeavours to distribute loan maturities evenly over time and to diversify sources of capital. At 31 December 2013, lines of credit totalling SEK 3,270.0 M were available, of which SEK 307.0 M was unutilised.

The table below shows when the financial assets and liabilities fall due for renegotiation or amortisation.

Maturity structure of financial assets and liabilities, 31 December 2013

Year	Financial assets	Liabilities	Unutilised lines of credit	Payment flows, interest
2014	245.7	2,356.4	260.6	45.2
2015	-	507.6	46.4	16.0
2016	-	-	-	-
2017	-	-	-	-
>2018	-	166.9	-	124.8
Total	245.7	3,030.9	307.0	186.0

Maturity structure of financial assets and liabilities, 31 December 2012

Year	Financial assets	Liabilities	Unutilised lines of credit	Payment flows, interest
2013	5.6	485.1	-	58.2
2014	-	655.5	-	56.3
2015	-	907.9	273.2	28.8
2016	-	250.0	-	7.0
>2017	-	148.7	-	235.0
Total	5.6	2,447.2	273.2	385.3

The properties owned by Catena are financed by a combination of loans and equity. The majority of financing comprises loans from banks and other credit institutions. Financing risk is the risk that future financing in the form of new loans has a negative impact on Catena's earnings due to increased borrowing costs. Catena manages this risk by allocating borrowing to various maturity dates.

Loan maturity structure

Matures in	2013	2012
2013	-	96.8
2014	2,281.8	655.5
2015	507.6	907.9
2016	-	250.0
>2017	173.6	148.7
Total	2,963.0	2,058.9

The maturity structure for long-term liabilities to credit institutions

Long-term liabilities to credit institutions

	31 Dec 2013	31 Dec 2012
Maturity, < 1 year from balance-sheet date	2,273.3	86.0
Maturity, 1-5 years from balance-sheet date	507.6	1,813.4
Maturity, > 5 years from balance-sheet date	173.6	148.7
Total	2,954.5	2,048.1

Of long-term debt, SEK 2,273.3 M falls due for renegotiation within one year, however, since a portion is covered by unused long-term frameworks and the intention is to refinance these loans in the long term, they are treated as long-term.

Loan terms and conditions, effective interest rate and maturity structure

	Nominal amount in original currency		Average effective interest rate	
	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Liabilities to credit institutions	2,963.0	2,058.9	3.1%	3.4%

The average interest rate takes in to consideration interest-rate swap contracts and interest-rate caps.

The total volume outstanding was SEK 1,087.6 M (159.6) for interest-rate swap agreements and SEK 28.0 M (28.0) for interest-rate caps.

Interest-rate risk

The interest-rate risk is the risk of changes in market interest rates negatively impacting cash flow or the fair value of financial assets and liabilities. Catena's financial policy stipulates a framework for how work with managing interest-rate risk should be carried out. One overriding goal is that the maturity structure of leases should be taken into consideration when determining the fixed-interest term. This is performed mainly through adapting the loan portfolio to the risk strategy through the use of interest-rate swaps and interest-rate cap agreements.

The following table shows the fair values and carrying amounts of all of the Group's derivatives and financial assets and liabilities where carrying amounts and fair values differ. For other contracted financial assets and liabilities of the Group and the Parent Company, fair values correspond with carrying amounts as of 31 December 2013.

At 31 December 2013, total interest-bearing liabilities were SEK 2,963.0 M (2,058.9), of which SEK 8.5 M (10.8) will be amortised in 2014. At the same time, the average effective interest rate was 3.1% (3.4) and the average fixed-interest term was about 0.3 years (0.2), without taking into consideration the interest-rate caps. The Group's earnings can be impacted by the continuous changes to these factors. All of the Group's interest-bearing liabilities have a fixed-interest term of less than one year with a floating interest rate. Interest rates on variable loans are based on the 3-month STIBOR with the addition of a margin. To limit the interest-rate risk of floating-rate loans, interest-rate swaps are held in an amount of SEK 1,087.6 M (159.6) and interest-rate cap agreements are held in an amount of SEK 28.0 M (2,528.0). The average protection after taking into account the interest-rate swap and interest-rate cap agreements limits the interest rate to 4.03%.

Interest rate maturity structure

Year	SEK M	Effective interest rate % ¹⁾	Share in %
2014	1,963.0	2.6	66
2021	500.0	4.3	17
2022	500.0	3.7	17
Total	2,963.0	3.1	100

1) Average interest rate, taking into account the contractual interest-rate swap and interest-rate cap agreements.

	Nominal value	Fair value (excl. accrued interest)		Carrying amount	
	31 Dec 2013	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Interest-rate swap contracts (receive floating, pay fixed interest)	1,087.6	4.4	-	4.4	-
Interest-rate cap agreements	28.0	-	-	-	-
Fixed-interest loans	0.0	-	39.6	-	39.6

Of the carrying amounts for interest-rate swap contracts, 4.4 applies to the long-term component and 0.0 to the short-term component.

A one percentage-point rise in the interest rate for interest-bearing liabilities, assuming unchanged loan volumes and fixed-interest terms in line with valid derivative agreements, would have a negative impact on earnings of SEK 28.4 M (neg: 19.9).

Credit risks

Credit risk is defined as the risk of making a loss as a result of the failure of a counterparty to discharge its obligations. Credit risk can primarily be attributed to accounts receivable outstanding. Losses on accounts receivable arise when customers are put in receivership or for other reasons are unable to meet their payment obligations. Credit risk from financial activities is minimal since Catena's customers have high credit ratings. A credit check is made in respect of the customers' creditworthiness and, where any uncertainty exists, Catena requires bank guarantees or guarantee commitments. All rents are invoiced in advance. In 2013, Catena was not impacted by any financial loan losses nor were there any significant loan losses in operations.

For a time analysis of overdue accounts receivable, and information on bad debt losses, refer to Note 14.

Cash and cash equivalents	31 Dec 2013	31 Dec 2012
Cash and cash equivalents	213.6	0.2
Accounts receivable	11.9	5.4
Other current receivables	21.6	17.5
Other long-term receivables	5.1	1.0
Total	252.2	24.1

Concentration risk

Concentration risk means, for example, the risk of substantial dependence on a few customers. As of 31 December 2013, Catena's ten (ten) largest tenants accounted for 73% (84) of the Group's contracted income from property.

Net profit/loss on financial instruments recognised in profit or loss

Net profit/loss comprises earnings attributable to financial instruments excluding interest. For information about interest income and interest expense, refer to Note 9 Financial income and expenses.

2013	Net profit/loss in income statement	Net profit/loss in other comprehensive income after tax
Loan receivables and accounts receivable	-2.4	-
Financial assets measured at fair value via profit or loss	4.4	-

2012	Net profit/loss in income statement	Net profit/loss in other comprehensive income after tax
Loan receivables and accounts receivable	-0.1	-

NOTE 19

Classification of financial instruments

2013

Financial assets	Measurement categories			Carrying amount
	Measured at fair value via profit or loss	Available-for-sale	Loan and accounts receivable	
Accounts receivable	-	-	11.9	11.9
Interest-rate derivatives	4.4	-	-	4.4
Other current receivables	-	-	15.8	15.8
Cash and cash equivalents	-	-	213.6	213.6
Total	4.4	-	241.3	245.7
Non-financial assets				4,792.3
Total				5,038.0

Financial liabilities	Measured at fair value via profit or loss	Measured at amortised cost	Carrying amount
Long-term liabilities to credit institutions	-	-2,954.5	-2,954.5
Short-term liabilities to credit institutions	-	-8.5	-8.5
Accounts payable	-	-25.8	-25.8
Current liabilities to joint ventures	-	-14.1	-14.1
Accrued expenses	-	-28.0	-28.0
Total	-	-3,030.9	-3,030.9
Non-financial assets			-365.2
Total			-3,396.1

Carrying amounts correspond to fair values for all balance-sheet items.

2012

	Measurement categories			Carrying amount
	Measured at fair value via profit or loss	Available-for-sale	Loan and accounts receivable	
Financial assets				
Accounts receivable	-	-	5.4	5.4
Cash and cash equivalents	-	-	0.2	0.2
Total	-	-	5.6	5.6
Non-financial assets				3,437.5
Total				3,443.1

	Measured at fair value via profit or loss	Measured at amortised cost	Carrying amount
Financial liabilities			
Long-term liabilities to credit institutions	-	-2,048.1	-2,048.1
Short-term liabilities to credit institutions	-	-10.8	-10.8
Accounts payable	-	-41.2	-41.2
Other interest-bearing current liabilities	-	-330.8	-330.8
Accrued expenses	-	-16.3	-16.3
Total	-	-2,447.2	-2,447.2
Non-financial assets			-258.8
Total			-2,706.0

The fair value of liabilities to credit institutions was SEK 2,056.3 M and the carrying amount was SEK 2,058.9 M. Carrying amounts correspond to fair values for other balance-sheet items.

NOTE 20

Pledged assets and contingent liabilities

Pledged assets	31 Dec 2013	31 Dec 2012
Property mortgages for liabilities to credit institutions	2,955.9	2,146.9
Shares for liabilities to credit institutions ¹⁾	1,476.6	713.2
Guarantee obligations	20.8	-
Total	4,453.3	2,860.1
Contingent liabilities		
Responsibility for joint ventures' liabilities (partnerships/limited partnerships)	241.2	198.1
Guarantees given for Group companies	2,840.5	248.7
Guarantees given for joint ventures	10.0	10.0
Other contingent liabilities	0.1	0.1
Total	3,091.8	456.9

1) Pertains to shares in Group companies.

NOTE 21

Accrued expenses and deferred income

	31 Dec 2013	31 Dec 2012
Advance payment of rents	48.9	36.2
Accrued selling expenses	5.7	-
Accrued salary-related expenses	4.7	-
Accrued operating costs and sales warranties	5.8	13.9
Accrued interest expense	7.2	1.3
Other items	4.5	1.0
Total	76.8	52.5

NOTE 22

Related parties

Related-party transactions

The Group is under a significant influence from Erik Paulsson, with his family and companies. At 31 December 2013, his holding amounted to 46.4% (0) of the voting rights in the Group's Parent Company. Erik Paulsson is a Board member of Catena. Erik Paulsson's influence means that the Group has related-party transactions with Backahill AB and Hansan AB. Related-party transactions have also taken place with T.A.M Group AB, a company owned by the Board member Andreas Philipson.

In addition to the above related parties, Catena owns, via Group companies, the following joint-venture companies: Log. Sunnanå AB, Log. Tostarp AB and PeBri Projektutveckling AB. See Note 13, Participations in joint ventures.

In 2013, no Board member or senior executives in Catena AB or its subsidiaries have themselves, via companies or related parties, had any direct involvement in business transactions carried out by Catena that were or are unusual in their nature or their terms and conditions. See Note 8 Employee and personnel expenses.

In one case, Catena has given guarantees for Group companies' joint-venture companies, see Note 20 Pledged assets and contingent liabilities.

NOTE 23

Significant events after the end of the financial year

From 2 January 2014, Catena's share has been listed on NASDAQ OMX Stockholm – Nordic List, Mid Cap.

On 13 February 2014, Catena Logistik AB acquired two companies with properties for SEK 396 million in Haninge and Nässjö. The properties comprise 48,000 square metres of logistics space. Income from property is estimated to amount to about SEK 32 M per year. In conjunction with the transaction, an Extraordinary General Meeting was held in Catena AB on 7 March 2013 where a resolution was passed to make a non-cash issue of SEK 50 M to the vendors of the properties. Registration of the new shares, 446,469 in total, was carried out at the Swedish Companies Registration Office on 10 March 2014.

	2013	2012
Transactions with the Group's joint-venture companies		
Interest expenses	0.1	–
Interest-bearing liabilities	14.1	–
Guarantees given	10.0	–
Transactions with other related parties		
Purchases	0.4	–
Interest income	0.2	–
Current receivables	15.8	–

Other information

Liabilities and receivables with related parties pertain to the settlement account, to which interest is charged.

Transactions with related parties are priced at market rates.

NOTE 24

Cash-flow statement

	1 Jan 2013 - 31 Dec 2013	1 Jan 2012 - 31 Dec 2012
Supplementary disclosures to the cash-flow statement		
Interest paid and dividends received		
Interest received	17.8	20.1
Interest paid	-77.2	-75.1
Adjustments for non-cash items		
Amortisation, depreciation and impairment of assets	0.1	-
Change in value of investment properties	-30.9	-26.0
Participations in joint venture profits/losses	-4.6	-50.5
Net capital loss from the divestment of non-current assets	-2.4	-0.4
Net capital loss from the divestment of operations	-	-27.1
Other non-cash profit/loss items	40.9	-
	3.1	-104.0
Acquisition of assets via subsidiaries		
No business combinations were carried out during the year and the year's acquisitions of shares in subsidiaries have been classified as asset acquisitions and net proceeds comprised the following items:		
<i>Assets acquired and liabilities assumed:</i>		
Investment properties	1,042.4	522.6
Operating receivables	30.3	9.6
Cash and cash equivalents	133.5	0.2
Provisions	-14.5	-
Deferred tax liabilities	-	-6.6
Long-term liabilities	-411.5	-294.7
Current operating liabilities	-119.6	-10.6
Total net assets	660.6	220.5
Purchase consideration	660.6	220.5
Non-cash issue	-616.2	-
Total	44.4	220.5
Less: Participations in joint ventures	-	-109.5
Less: Cash and cash equivalents in the acquisition	-133.6	-0.2
Impact on cash and cash equivalents	-89.2	110.8
Divestment of operations		
<i>Divested assets and liabilities:</i>		
Investment properties	-	166.3
Operating receivables	-	2.1
Deferred tax liabilities	-	-14.1
Current liabilities	-	-47.1
Capital gain	-	27.1
Total	-	134.3
Purchase consideration received	-	134.3
Total	-	134.3
Less: Cash and cash equivalents in the acquisition	-	-
Impact on cash and cash equivalents	-	134.3
Acquisitions of other financial assets		
Capital contribution made	28.0	-
Changes in interest-bearing items	397.2	-
Total investments in financial assets	425.2	-
Divestment of financial assets	-	-
Shareholder contribution received	180.2	-
Settlement of financial receivables	14.1	-
Total divestment of financial assets	194.3	-

Financial statements – Parent Company

Income Statement

SEK M	Note 1,20,21	1 Jan 2013 - 31 Dec 2013	1 Jan 2012 - 31 Dec 2012
Net turnover	2	9.9	4.1
Cost of services performed	3,4,5,6	-21.4	-5.9
Operating profit/loss		-11.5	-1.8
Financial income and expenses	7		
Interest income and similar profit/loss items		26.5	15.8
Profit from participations in Group companies		11.1	5.2
Interest expense and similar profit/loss items		-24.6	-12.6
Pre-tax profit		1.5	6.6
Tax on profit for the year	8	-2.9	-1.7
Profit for the year	14	-1.4	4.9

Statement of comprehensive income

SEK M	Note 1,20,21	1 Jan 2013 - 31 Dec 2013	1 Jan 2012 - 31 Dec 2012
Profit for the year		-1.4	4.9
Other comprehensive income		-	-
Total comprehensive income		-1.4	4.9

Balance sheet

SEK M	Note	31 Dec 2013	31 Dec 2012
ASSETS	1,20,21		
Non-current assets			
Property, plant and equipment			
Equipment	9	1.1	–
Financial fixed assets			
Participations in Group companies	10	1,227.3	56.5
Deferred tax assets	8	2.4	1.1
Other long-term receivables		4.7	–
Total financial fixed assets		1,234.4	57.6
Total non-current assets		1,235.5	57.6
Current assets			
Current receivables			
Accounts receivable	11	0.1	0.0
Receivables from Group companies		1,200.7	439.8
Other receivables		16.2	2.2
Prepaid expenses and accrued income	13	0.2	0.1
Total current receivables		1,217.2	442.1
Cash and bank balances		209.9	42.6
Total current assets		1,427.1	484.7
TOTAL ASSETS		2,662.6	542.3
EQUITY AND LIABILITIES			
Equity	14		
Restricted equity			
Share capital		110.9	50.9
Statutory reserve		10.0	10.0
Total restricted equity		120.9	60.9
Unrestricted equity			
Share premium reserve		1,082.2	–
Retained earnings		95.8	102.5
Profit for the year		-1.4	4.9
Total unrestricted equity		1,176.6	107.4
Total equity		1,297.5	168.3
Liabilities			
Provisions			
Provisions for pensions and similar commitments	15	–	9.1
Other provisions	16	0.8	0.9
Total provisions		0.8	10.0
Long-term liabilities			
Deferred tax liabilities	8	1.0	–
Total long-term liabilities		1.0	–
Current liabilities			
Accounts payable		13.2	0.1
Liabilities to Group companies	12	1,315.3	356.1
Other liabilities		15.7	0.4
Accrued expenses and deferred income	17	19.1	7.4
Total current liabilities		1,363.3	364.0
Total liabilities		1,365.1	374.0
TOTAL EQUITY AND LIABILITIES		2,662.6	542.3
Pledged assets and contingent liabilities	18		
		2013-12-31	2012-12-31
Pledged assets		20.8	20.8
Contingent liabilities		1,416.0	0.2

Statement of Changes in Equity

SEK M	Restricted equity		Unrestricted equity			Total equity
	Share capital	Statutory reserve	Share premium reserve	Profit brought forward	Profit/loss for the year	
Opening equity, 1 Jan 2012	50.9	10.0	-	125.6	-	186.5
Comprehensive income for the year	-	-	-	-	4.9	4.9
Dividend	-	-	-	-23.1	-	-23.1
Closing equity, 31 Dec 2012	50.9	10.0	-	102.5	4.9	168.3
Opening equity, 1 Jan 2013	50.9	10.0	-	107.4	-	168.3
New share issue	60.0	-	1,082.2	-	-	1,142.2
Comprehensive income for the year	-	-	-	-	-1.4	-1.4
Dividend	-	-	-	-11.6	-	-11.6
Closing equity, 31 Dec 2013	110.9	10.0	1,082.2	95.8	-1.4	1,297.5

Cash-flow statement

SEK M	Note 19	1 Jan 2013 - 31 Dec 2013	1 Jan 2012 - 31 Dec 2012
Operating activities			
Pre-tax profit		1.5	4.9
Adjustments for non-cash items		-15.7	-0.4
Cash flow from operating activities before changes in working capital		-14.2	4.5
Cash flow from changes in working capital			
Change in operating receivables		-14.1	-16.4
Change in operating liabilities		4.1	-7.5
Cash flow from operating activities		-24.2	-19.4
Investing activities			
Acquisitions of property, plant and equipment		-1.2	-
Sales and net amortisation of financial assets		204.3	-
Cash flow from investing activities		203.1	-
Financing activities			
Dividend		-11.6	-23.1
Cash flow from financing activities		-11.6	-23.1
Cash flow for the year		167.3	-42.5
Opening cash and cash equivalents		42.6	85.1
Closing cash and cash equivalents		209.9	42.6

Notes – Parent Company

NOTE 1

Accounting policies

Amounts in SEK M unless otherwise specified.

Catena AB (publ), 556294-1715, is the Parent Company of a Group comprising companies that own and operate properties or run property-related projects. All inter-Group functions are centralised to the Parent Company.

The Parent Company has prepared its Annual Report in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation no. RFR 2 Accounting for legal entities, which entails that the Parent Company in its annual report for the legal entity applies all of the EU-approved IFRS and statements, to the fullest extent possible, within the framework of the Annual Accounts Act, and taking into consideration the connection between accounting and taxation. Recommendations indicate the exceptions and the supplements to be made to the IFRS.

The Parent Company applies the same accounting policies as the Group, detailed in Note 2 for the Group, except in the cases stated below.

Differences between the Group's and the Parent Company's accounting policies

The following accounting policies for the Parent Company have been applied consistently for all periods presented in the Parent Company's financial reports, unless specifically stated otherwise.

Subsidiaries, associated companies and joint ventures

Participations in subsidiaries, associated companies and joint ventures are recognised in the Parent Company under the cost method.

Shareholder contributions and Group contributions

Shareholder contributions are recognised directly in equity

by the recipient and capitalised in shares and participations by the payer. Group contributions paid to subsidiaries are recognised as an increase in the shares in the subsidiary and, thereafter, tested to identify whether any impairment need exists. The tax effect is recognised in profit or loss. Group contributions received from subsidiaries are treated as dividends and are recognised as financial income in profit or loss. The tax effect is recognised in profit or loss.

Presentation of income statement and balance sheet

The Parent Company follows the presentation format in the Swedish Annual Accounts Act for the income statement and balance sheet, which means that a different presentation format for equity and that other provisions are reported as a separate item in the balance sheet.

Financial guarantees

Last year, the Parent Company's financial guarantee agreements comprised contingent liabilities in the company's capacity of part-owner of the mutual insurance company PRI Pensionsgaranti. This financial guarantee entails a commitment to contribute funds to PRI in the event that its assets are insufficient to meet its commitments, but limited to the maximum amount of the assumed contingent liability. For reporting financial guarantee agreements, the Parent Company applies a rule under RFR, which entails a relaxation compared with the rules in IAS 39, as regards financial guarantee agreements issued in favour of subsidiaries. The Parent Company reports financial guarantee agreements as a provision in the balance sheet when the company has an undertaking for which payment will probably be required to settle the undertaking.

NOTE 2

Net turnover

Turnover primarily comprises intra-Group administration fees.

NOTE 3

Cost of services performed

	2013	2012
Personnel expenses	11.6	2.1
Other external expenses	9.7	3.8
Depreciation of property, plant and equipment	0.1	-
Total	21.4	5.9

NOTE 4

Employee and personnel expenses

Average number of employees	2013	of which men	2012	of which men
Employees in Sweden	5	66%	2	100%

Gender balance of senior management	2013	Board 2012	Senior executives 2013	Senior executives 2012
Men	83%	100%	100%	100%
Women	17%	0%	0%	0%

	2013	2012
Salaries, fees, benefits and other remuneration		
Chairman of the Board	0.2	0.2
Other Board members	0.5	0.4
Chief Executive Officer		
Base salary	1.3	0.6
Other remuneration	0.0	-
Other senior executives (4 individuals)		
Base salary	1.1	0.3
Other remuneration	0.1	-
Other employees	2.0	-
Total	5.2	1.5
Pension costs		
Chief Executive Officer	0.3	0.1
Other senior executives (4 individuals)	0.7	-
Other employees	3.1	-
Total	4.1	0.1
Statutory social security contributions incl. payroll tax		
Chairman of the Board	0.1	0.1
Other Board members	0.1	0.1
Chief Executive Officer	0.5	0.2
Other senior executives (4 individuals)	0.5	0.0
Other employees	1.1	-
Total	2.3	0.4
Total	11.6	2.0

For information about directors' fees, the terms and conditions governing the employment and dismissal of senior executives, remuneration of related parties, bonuses, pensions, severance pay, etc. please refer to Note 8 for the Group.

NOTE 5

Fees and expenses to auditors

	2013	2012
PwC		
Audit engagement, PwC	1.3	0.3
Audit activities in addition to the audit engagement, PwC	1.3	-
Tax consultancy	0.2	-
Other services	0.5	-
Total	3.3	0.3

Fees for audit engagements pertain to fees for the statutory audit, that is all work necessary to prepare the auditors' report, as well as audit advice provided in conjunction with the audit engagement.

Audit activities in addition to the audit engagement pertain to fees for various types of quality assurance services.

Other services pertain to activities not included in the audit engagement, audit activities or tax consultancy services.

Costs for audits and other assignments from PwC pertaining to all subsidiaries were charged to the Parent Company.

NOTE 6

Leasing fees pertaining to operational leasing

	2013	2012
Minimum leasing fees ¹⁾	0.1	-
Total leasing expenses	0.1	-

1) There were no variable fees.

Contractual future minimum leasing fees pertaining to non-cancellable leases fall due:

	2013	2012
Within one year	0.4	-
Between one and five years	0.2	-
Total	0.6	-

The Parent Company's operational leases comprise operational vehicle leases.

NOTE 7

Financial income and expenses

Interest income and similar profit/loss items

	2013	2012
Interest income, Group companies	21.0	14.9
Interest income, other	0.8	0.9
Interest-rate derivatives	4.7	-
Total	26.5	15.8

Profit from participations in Group companies

	2013	2012
Group contributions received	22.6	5.2
Impairment of shares in subsidiaries	-11.5	-
Total	11.1	5.2

Interest expense and similar profit/loss items

	2013	2012
Interest expense, Group companies	-19.4	-12.2
Interest expense, other	-5.2	-0.4
Total	-24.6	-12.6

Net financial items

	2013	2012
	13.0	8.4

NOTE 8

Tax

Recognised in profit or loss

	2013	2012
<i>Current tax</i>		
Tax for the year	-3.2	-1.3
<i>Deferred tax</i>		
Deferred tax for temporary differences	0.3	-0.4
Total recognised tax	-2.9	-1.7

Reconciliation of effective tax	2013	2012
Pre-tax profit	1.5	6.6
Tax according to current rate: 22% (26.3%)	-0.4	-1.7
Non-deductible expenses	-2.5	-
Non-taxable income	-	0.4
Recognised effective tax	-2.9	-1.3

The recognised effective tax rate as a percentage totalled 193.3 (19.7).

Deferred tax asset	OB 2012	Recognised in profit or loss		CB 2012	Recognised in profit or loss	
		2012			2013	CB 2013
Pension provisions	1.5	-0.4		1.1	-0.2	0.9
Loss carry-forwards	-	-		-	1.5	1.5
Total deferred tax assets	1.5	-0.4		1.1	1.3	2.4
Deferred tax liabilities						
Interest-bearing liabilities	-	-		-	1.0	1.0
Total deferred tax liabilities	-	-		-	1.0	1.0

NOTE 9

Property, plant and equipment

Equipment, fixtures and fittings	2013	2012
Opening cost	-	-
Acquisitions	1.2	-
Closing cost	1.2	-
Opening depreciation	-	-
Depreciation for the year	-0.1	-
Closing depreciation	-0.1	-
Carrying amount	1.1	-

Depreciation is distributed over the following items in profit or loss

	2013	2012
Administration costs	0.1	-

NOTE 10

Participations in Group companies

	31 Dec 2013	31 Dec 2012
<i>Accumulated cost</i>		
Opening balance	56.5	56.5
Acquisitions	1,154.8	-
Group contributions paid ¹⁾	11.6	-
Capital contribution made	16.0	-
Closing balance	1,238.9	56.5
<i>Accumulated impairment</i>		
Opening balance	-	-
Impairment for the year ²⁾	-11.6	-
Closing balance	-11.6	-
Carrying amount at year end	1,227.3	56.5

1) Group contributions paid to subsidiaries are recognised as an increase in the shares in the subsidiary and, thereafter, tested to identify whether any impairment need exists. Group contributions received from subsidiaries are treated as dividends and are recognised as financial income in profit or loss.

2) Impairment for the year is included under the profit/loss item "Profit from participations in Group companies", see Note 7.

Specification of the Parent Company's direct participation in subsidiaries

Subsidiary	Corp. Reg. No	Domicile	No. of shares	Holding % ¹⁾	Dec 2013 Carrying amount	31 Dec 2012 Carrying amount
Catena Logistik AB	556922-7363	Ängelholm	1,000	100.0	1,154.8	-
Catena Byggnads AB	556048-4726	Ängelholm	50,000	100.0	47.7	47.7
Catena Fastigheter AB	556754-0843	Ängelholm	1,000	100.0	0.1	0.1
Catena i Stenungsund AB	556754-0835	Ängelholm	1,000	100.0	0.1	0.1
Catena i Vinsta AB	556754-0868	Ängelholm	1,000	100.0	24.6	8.6
Catena i Täby AB	556754-7509	Ängelholm	1,000	100.0	0.1	0.1
Total					1,227.3	56.5

1) Pertains to the percentage of share capital, which corresponds to the proportion of voting rights.

Specification of indirectly owned subsidiaries

Company name	Corp. Reg. No.	Domicile
Catena Backa Invest AB	556758-6838	Ängelholm
Catena Backa 23:5 KB	916624-0797	Ängelholm
Catena Bronsringen AB	556702-8153	Ängelholm
Catena Högsbo AB	556649-7730	Ängelholm
Fastigheten Preppen HB	969684-0983	Gothenburg
Catena i Solna AB	556112-7571	Ängelholm
Catena Konen AB	556802-4771	Ängelholm
Catena Log. Backa AB	556595-0002	Ängelholm
Catena Log. Basfiolen AB	556697-7129	Ängelholm
Catena Log. Borås AB	556519-4155	Ängelholm
Catena Log. Borås Tre AB	556691-3223	Ängelholm
Catena Log. Borås Två AB	556537-6141	Ängelholm
Catena Log. Godsvagnen AB	556740-8801	Ängelholm
Catena Log. Gävle AB	556697-7194	Ängelholm
Catena Log. Hästhagen AB	556252-1616	Ängelholm
Catena Log. Invest AB	556649-9108	Ängelholm
Catena Log. Jakobsberg AB	556607-0925	Ängelholm
Catena Log. Järfälla KB	969628-1634	Ängelholm
Catena Log. Jönköping AB	556536-7587	Ängelholm
Catena Log. Jönköping Två AB	556691-3215	Ängelholm
Catena Log. Kopparverket AB	556700-1275	Ängelholm
Catena Log. Kristianstad AB	556697-7202	Ängelholm
Catena Log. Köpingegården HB	916626-8806	Ängelholm
Catena Log. Ljungby AB	556536-7595	Ängelholm
Catena Log. Luleå AB	556761-5173	Ängelholm
Catena Log. Malmö AB	556537-6166	Ängelholm
Catena Log. Malmö Två AB	556824-2944	Ängelholm
Catena Log. Mosås AB	556710-4459	Ängelholm
Catena Log. Muskötgatan AB	556633-8157	Ängelholm
Catena Log. Mörby AB	556713-8572	Ängelholm
Catena Log. Norrköping AB	556703-2809	Ängelholm
Catena Log. Projekt AB	556824-7570	Ängelholm
Catena Log. Regulatorn AB	556584-0005	Ängelholm
Catena Log. Stockholm AB	556519-4148	Ängelholm
Catena Log. Södertälje AB	556524-7433	Ängelholm
Catena Log. Vanda AB	556672-1402	Ängelholm
Catena Log. Vasslan AB	556697-7137	Ängelholm
Catena Log. Vårdshuset AB	556697-7145	Ängelholm
Catena Log. Ädelmetallen AB	556740-9874	Ängelholm
Catena Log. Örebro AB	556636-3270	Ängelholm
Catena Log. Östanvinden AB	556697-7111	Ängelholm
Catena Logistikposition Helsingborg AB	556688-6635	Ängelholm
Catena Söderåsen Fastighets AB	556634-8776	Ängelholm
Catena Transportstaden Örebro AB	556591-2309	Ängelholm
Catena Ätthögen AB	556659-9360	Ängelholm
Hallsbergs Terminal AB	556317-5966	Hallsberg
Hallsbergs Kombiterminal AB	556643-8023	Ängelholm
Logistikposition Karlshamn AB	556752-6040	Karlshamn
Logistikposition Katrineholm AB	556692-4147	Katrineholm

NOTE 11

Accounts receivable

The Parent Company's accounts receivable amounted to SEK 0.1 M (0.0). Of these, SEK 0.1 M (0.0) has not fallen due. No bad debt losses arose for the Parent Company during the year.

NOTE 12

Financial instruments and financial risk management

Financial policy

The Parent Company's assumption of financial risk is governed by the risk mandate set by Catena's Board. The policy and targets are detailed in Note 18 for the Group.

Financing and financing risks

The Parent Company had no liabilities to credit institutes at 31 Dec 2013 or 31 Dec 2012.

Loan terms and conditions, effective interest rate and tenors

	Nominal amount in original currency		Average effective interest rate	
	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Liabilities to Group companies	1,315.3	356.1	3.0%	0.6%

The Group's interest-rate risk is hedged in the Parent Company. All carrying amounts in the Parent Company correspond to fair values. The carrying amounts on the closing date are shown in the following table.

A one percentage-point rise in the interest rate for interest-bearing liabilities, assuming unchanged loan volumes, would have an impact of SEK 13.3 M (4.4).

	Nominal value	Carrying amount	
	31 Dec 2013	31 Dec 2013	31 Dec 2012
Interest-rate swap contracts	1,000.0	4.7	-

NOTE 13

Prepaid expenses and accrued income

	31 Dec 2013	31 Dec 2012
Prepaid insurance premiums	-	0.1
Prepaid rent	0.2	-
Total	0.2	0.1

NOTE 14

Equity

Number of shares in issue at 31 December 2013

Class of share	Number of registered shares	Quotient value per share, SEK	Total quotient value, SEK	Voting rights per share	Total number of votes
Ordinary shares	25,195,452	4.40	110,859,989.80	1	25,195,452

All shares confer equal rights to participate in the company's assets and earnings.

Development of share capital

Year	Transaction	Increase in share capital, SEK	Total share capital, SEK	Increase in No. of registered shares	Total No. of shares registered	Total No. of shares outstanding
1999	New share issue	49,075,400	50,000,000	490,754	11,555,662	11,555,662
2006	Bonus issue	883,800	50,883,800	8,838	11,564,500	11,564,500
2013	Private placement	59,976,189	110,859,989	13,630,952	25,195,452	25,195,452

The dividends adopted by the Annual General Meeting and paid in 2013 were SEK 1.00 per share or a total of SEK 11.6 M. For 2013, the Board proposes an ordinary dividend of SEK 2.00 per share. Based on the number of shares outstanding entitled to receive a dividend for the 2013 financial year, the proposed dividend means a total dividend amount of SEK 51.3 M. The dividend amount corresponds to 90% of the dividend target in Catena's financial targets, SEK 57.3 M. The Parent Company's target for asset management and the financial targets correspond with the Group's and are detailed in Note 18 for the Group.

On 7 March 2014, Catena decided to make a non-cash issue comprising 446,469 shares to a total value of SEK 50 M, to Logistikkbygg 1 AS. The underlying reason for this was Catena's acquisition of two properties in company form from Logistikkbygg 1 AS. The share issue was registered at the Swedish Companies Registration Office on 10 March 2014 and, accordingly, the proposed dividend is based on a total of 25,641,921 shares.

NOTE 15

Pensions

Defined-benefit plans

Defined benefit plans pertain solely to previously employed personnel in Sweden and new defined-benefit plans are no longer vested. The pension liability was transferred to Alecta as of 23 December 2013.

Assumptions for defined-benefit commitments

The most important actuarial assumptions on the balance-sheet date expressed as a percentage

	2013	2012
Discount rate at 31 Dec.	3.60	3.60
Future increase in salaries	-	-
Income base amount	-	-
Future increase in pensions	2.00	2.00
Annual increase in paid-up policies	-	-
Severance intensity	-	-

Parent Company pension commitment

	2013	2012
FPG/PRI	-	9.1
For which pension commitment provided by FPG/PRI	-	9.1

	2013	2012
Opening balance	9.1	9.0
Benefits paid	-0.5	-0.5
Expense recognised in profit or loss	2.7	0.6
Pension liability transferred to Alecta	-11.3	-
	-	9.1

Expense recognised in the following items in profit or loss

	2013	2012
Cost of services performed	2.3	0.2
Interest expense and similar items	0.4	0.4

Defined-contribution plans

In 2012, the company had no defined-contribution plans.

In 2013, the company purchased commitments under the ITP plan that are secured through an insurance in Alecta. The company has not been provided with information that would allow the reporting of its commitments under the ITP plan as a defined-benefit plan and, accordingly, these are reported as a defined-contribution plan.

The year's fees for pension insurance contracted with Alecta amounted to SEK 12.1 M (0.0). Alecta's surplus can be distributed to the policy owners and/or insured parties. At the end of 2013, Alecta's surplus in the form of the collective consolidation level was 148% (129). The collective consolidation level comprises the market value of Alecta's assets as a percentage of the insurance obligation calculated in line with Alecta's actuarial assumptions, which do not comply with IAS 19.

NOTE 16

Other provisions

	2013	2012
Special payroll tax	0.8	0.9

Payments

	2013	2012
Amount for which a provision is expected to be paid after more than 12 months	0.7	0.8

	2013	2012
Opening balance	0.9	1.1
Settled commitments	-0.1	-0.2
Closing balance	0.8	0.9

NOTE 17

Accrued expenses and deferred income

	31 Dec 2013	31 Dec 2012
Accrued selling expenses	5.7	5.7
Accrued salary-related expenses	4.7	0.1
Accrued interest expense	5.2	-
Other accrued expenses	3.5	1.7
Total	19.1	7.4

NOTE 18

Pledged assets and contingent liabilities

<i>Pledged assets</i>	2013	2012
Guarantee obligations	20.8	20.8
Total	20.8	20.8

<i>Contingent liabilities</i>	2013	2012
Guarantees given for Group companies	1,406.0	-
Guarantees given for the Group's joint ventures	10.0	-
Guarantee commitments, FPG/PRI	-	0.2
Total	1,416.0	0.2

NOTE 19

Cash-flow statement

Supplementary disclosures	1 Jan 2013 - 31 Dec 2013	1 Jan 2012 - 31 Dec 2012
Interest paid and dividends received		
Dividends received	22.7	5.2
Interest received	21.8	15.8
Interest paid	-19.4	-12.6
Adjustments for non-cash items		
Amortisation, depreciation and impairment of assets	11.7	-
Change in value of derivatives	-4.7	-0.4
Group contributions received	-22.7	-
Total	-15.7	-0.4

NOTE 21

Related parties

Related-party transactions

In addition to the related parties detailed for the Group in Note 22, the Parent Company exercises controlling influence over its subsidiaries, see Note 10 Participations in Group companies.

	2013	2012
Transactions with subsidiaries		
Sales	9.9	4.0
Interest income	21.1	9.4
Interest expenses	19.4	8.0
Group contributions received	22.6	5.2
Group contributions paid	11.5	-
Current receivables	1,200.7	439.8
Interest-bearing liabilities	1,315.3	356.1
Guarantees given	1,406.0	-
Transactions with the Group's joint-venture companies		
Interest expenses	0.1	-
Interest-bearing liabilities	14.1	-
Guarantees given	10.0	-
Transactions with other related parties		
Purchases	0.2	0.2
Interest income	0.2	-
Current receivables	15.8	-

Other information

Liabilities and receivables with related parties pertain to the settlement account, to which interest is charged.

Transactions with related parties are priced at market rates.

NOTE 20

Significant events after the end of the financial year

From 2 January 2014, Catena's share has been listed on NASDAQ OMX Stockholm – Nordic List, Mid Cap.

An Extraordinary General Meeting was held in Catena AB on 7 March 2014 where a resolution was passed to make a non-cash issue of SEK 50 M to the vendors of the properties in Nässjö and Haninge that were acquired by Catena Logistik AB on 13 February 2014. Registration of the new shares, 446,469 in total, was carried out at the Swedish Companies Registration Office on 10 March 2014.

Otherwise, no significant events have taken place since the balance-sheet date that impact the assessment of Catena's financial position.

Signing of the Annual Report

The Board of Directors and the CEO certify that the Annual Report has been prepared in accordance with generally accepted accounting principles in Sweden and that the consolidated financial statements have been prepared in accordance with the international accounting standards referred to in regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The annual accounts and consolidated financial statements provide a true and fair view of the financial position and performance of the Parent Company and Group. The

Administration Report provides a true and fair view of the development of the Group's operations, financial position and performance and describes significant risks and uncertainty factors facing the Group.

The annual accounts and consolidated financial statements were approved for release by the Board on 27 March 2014. The Group's income statement and balance sheet and the Parent Company's income statement and the balance sheet will be presented for the approval of the Annual General Meeting on 6 May 2014.

Solna, 27 March 2014

Henry Klotz

Chairman of the Board

Katarina Wallin

Board member

Andreas Philipson

Board member

Bo Forsén

Board member

Erik Paulsson

Board member

Gustaf Hermelin

*Board member
Chief Executive Officer*

Our auditors' report was submitted on 27 March 2014

Öhrlings PricewaterhouseCoopers AB

Lars Wennberg

Authorised Public Accountant

Auditors' report

To the Annual General Meeting of Catena AB Corporate Registration Number: 556294-1715

Report on the annual accounts and consolidated financial statements

I have audited the annual accounts and consolidated financial statements for Catena AB for the 2013 financial year. The annual accounts and consolidated financial statements of the company are included in the printed version of this document on pages 10–88.

Responsibility of the Board and the CEO for the annual accounts and consolidated financial statements

The Board of Directors and CEO are responsible for the preparation of annual accounts that provide a true and fair representation, pursuant to the Annual Accounts Act, and consolidated financial statements that provide a true and fair representation pursuant to the International Financial Reporting Standards, IFRS, as adopted by the EU, and the Annual Accounts Act and for the internal control that the Board and CEO assess as necessary for preparing annual accounts and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

My responsibility is to express an opinion on these annual accounts and consolidated financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. These standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the annual accounts and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated financial statements. The auditor selects the procedures to be conducted based on such assessments as the risk of material misstatement in the annual accounts and consolidated financial statements, and whether such misstatement is due to fraud or error. In this risk assessment, the auditor considers internal control measures relevant to the company's preparation and fair presentation of the annual accounts and consolidated financial statements in order to design audit procedures that are appropriate taking the circumstances into account, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes an evaluation of the appropriateness of the accounting policies applied and of the reasonableness of the Board's and CEO's estimates in the accounts, as well as an evaluation of the overall presentation in the annual report and consolidated financial statements.

I believe that the auditing evidence that I have obtained is sufficient and appropriate as the basis for my audit opinion.

Opinion

In my opinion, the annual accounts have been prepared in compliance with the Annual Accounts Act and provide, in all significant respects, a true and fair representation of the Parent Company's financial position at 31 December 2013 and of its financial results and cash flow for the year pursuant to the Annual Accounts Act, and that the consolidated financial statements have been prepared in accordance with the Annual Accounts Act and provide, in all significant respects, a true and fair representation of the Group's financial position at 31 December 2013 and of its earnings and

cash flows for the year pursuant to International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. A corporate governance report has been prepared. The statutory administration report and corporate governance report are consistent with the other parts of the annual accounts and consolidated financial statements.

I, therefore, recommend that the Annual General Meeting approves the income statements and balance sheets for the Parent Company and the Group.

Report on other legal and regulatory requirements

In addition to my audit of the annual accounts and consolidated financial statements, I have also examined the proposed appropriations of the company's profit or loss and the administration of the Board and CEO of Catena AB for 2013.

Responsibilities of the Board of Directors and the CEO

The Board of Directors is responsible for the proposal concerning the appropriation of the company's profit or loss, and the Board of Directors and the CEO are responsible for administration under the Companies Act.

Auditors' responsibility

My responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on my audit. I have conducted my audit in accordance with generally accepted auditing standards in Sweden.

As the basis for my opinion on the Board of Directors' proposed appropriations of the company's profit or loss, I have examined the Board's reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal complies with the Swedish Companies Act.

As the basis for my opinion concerning discharge from liability, in addition to my audit of the annual accounts and consolidated financial statements, I have examined significant decisions, actions taken and the circumstances of the company in order to determine whether any Board member or the CEO is liable to the company. I have also examined whether any Board member or the CEO has, in any other way, acted in contravention of the Swedish Companies Act, the Annual Accounts Act or the Articles of Association.

I believe that the audit evidence that I have obtained is sufficient and appropriate as the basis for my audit opinion.

Opinion

I recommend to the Annual General Meeting that the profit be appropriated in accordance with the proposal in the administration report and that the members of the Board of Directors and the CEO be discharged from liability for the financial year.

Stockholm, 27 March 2014

Lars Wennberg
Authorised Public Accountant

Multi-year overview

Key performance indicators Group	31 Dec 2013	31 Dec 2012
Financial		
Return on equity, %	11.7	34.1
Return on total capital, %	6.3	9.7
Interest-coverage ratio, multiple	3.2	4.0
Equity ratio, %	32.6	21.4
Profit from property management, SEK M	147.0	178.8
Pre-tax profit, SEK M	184.7	232.3
Profit for the year, SEK M	138.4	220.3
Total assets, SEK M	5,038.0	3,443.1
Share-related		
Prior to and after dilution		
Equity per share, SEK	64.95	62.93
Earnings per share, SEK	9.81	19.26
Cash flow per share, SEK	14.93	0.01
Number of shares outstanding, millions	25.2	11.6
Average number of shares outstanding, millions	14.3	11.6
Property-related		
Income from property, SEK M	316.8	286.2
Net operating surplus, SEK M	221.3	184.9
Rental value, SEK M ¹⁾	419.3	356.3
Economic letting ratio, %	87.0	89.0
Surplus ratio, %	70.0	65.0
Lettable area, thousand sq.m.	690.6	575.8

1) On remaining properties at year end.

Glossary and definitions

Financial

Return on equity, %

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

Return on total capital, %

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

Average interest on interest-bearing liabilities, %

The estimated annual interest expense at year end as a percentage of interest-bearing liabilities.

Associated companies

Companies where Catena has a minority ownership and the companies are not subsidiaries.

Joint Venture

A joint venture is a partnership whereby two or more companies invest in a new company to carry out a project together.

Interest-coverage ratio, multiple

Pre-tax profit plus financial expenses divided by financial expenses.

Public-private partnership (PPP)

Companies owned jointly with construction companies, municipalities and other companies.

Debt/equity ratio, multiple

Interest-bearing liabilities divided by equity at year end.

Equity ratio, %

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

Capital employed, SEK M

Total assets at year end less non-interest-bearing liabilities and provisions.

Share-related

Dividend yield

Dividend in relation to the share price at year end.

Equity per share, SEK

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

Cash flow per share, SEK

Cash flow for the year in relation to the average number of shares outstanding.

P/E ratio

Share price at year end in relation to earnings per share for the year.

Earnings per share, SEK

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

Dividend per share, SEK

Dividend for the financial year in relation to the number of shares outstanding at year end.

Property-related

Loan-to-value ratio, %

Interest-bearing liabilities attributable to the properties as a percentage of the carrying amounts of the properties at year end.

Yield, %

Net operating surplus excluding property administration costs as a percentage of the properties' carrying amounts at year end.

Net operating surplus, SEK M

Income from property less operating and maintenance costs, property tax, ground rents and property administration costs.

Economic letting ratio, %

Contractual rents under valid leases at year end as a percentage of rental value.

Economic vacancy ratio, %

The estimated market rents for vacant space as a percentage of the rental value.

Rental value, SEK M

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

Contractual annual rent

Contractual rents are the applicable rents for the existing portfolio that is leased as of the balance-sheet date.

Lettable area

Total area available for letting.

Vacancy ratio for floor space, %

Vacant space as a percentage of lettable area at year end.

Surplus ratio, %

Net operating surplus as a percentage of income from property.

Logistics properties

Property constructed with a terminal and/or warehouse intended for goods handling and distribution for logistics companies' customers.

Terminals/Container terminals

Properties that are primarily designed for trans-shipment operations. This type of property includes container terminals, where possibilities of moving goods from one mode of transport to another are optimised.

Logistics warehouses

These are defined as properties with inventories of finished goods and importers' stocks of goods awaiting sale.

Distribution centres

A property with goods that are stored for a shorter period to then be transported onward.

City logistics

A distribution centre that is optimized for rapid and short-distance freight distribution activities, of fast moving goods such as perishable goods.

E-commerce

E-commerce is defined as when a company or consumer buys or sells a product, normally over the Internet or other computer networks.

List of properties by region

Property	Postal address	Address	Valuation year	Taxable value, SEK T	Rental value, SEK T
Basfiolen 7	Norrköping	Moa Martinsons gata 10 A	1983	4,196	523
Dikartorp 3:12, bygg 1	Järfälla	Passadvägen 8	2002	34,200	4,721
Dikartorp 3:12, bygg 2	Järfälla	Passadvägen 10	1977	136,994	11,305
Godsvagnen 6	Örebro	Terminalgatan 2	1992	65,916	9,672
Jakobsberg 22:16	Järfälla	Mossvägen 4	1992	9,859	1,623
Mosås 4:57	Örebro	Paketvägen 6	1970	31,199	4,488
Mosås 4:66	Örebro	Paketvägen 10	2007	39,000	7,380
Mörby 5:28	Nykvarn	Mörbyvägen 21	2009	27,000	12,237
Nattskiftet 11	Stockholm	Elektrav. 15 / Drivhjulsv. 42	1996	14,528	26,350
Regulatorn 2	Huddinge	Elektronv. 1 / Regulatorv. 10	1967	152,517	31,315
Slottshagen 2:1	Norrköping	Kommendantvägen 5	2222	0	8,112
Sothönan 19	Katrineholm	Terminalgatan 8	1111	864	0
Sothönan 3	Katrineholm	Industrigatan 7	1979	21,886	4,226
Storheden 1:75	Luleå	Betongvägen 40	1990	3,764	711
Sörby Urfjäll 38:2	Gävle	Elektrikergatan 4	1990	4,427	764
Terminalen 1	Hallsberg	Hallsbergsterminalen 12, 14,19	2009	0	11,950
Tuvängen 1	Södertälje	Morabergsvägen 25	2000	19,587	2,371
Törsjö 2:49	Örebro	Paketvägen 1, 3	2004	172,620	30,390
Vanda 1	Kista	Vandagatan 3	1990	168,200	16,669
Vasslan 1	Årsta	Sockengränd 2	1986	42,510	4,687
Vårdshuset 3	Sundsvall	Vårdshusvägen 5	1985	3,114	763
Östanvinden 5	Karlstad	Östanvindsgatan 4	1983	2,585	720
Total, Region Stockholm				954,966	190,976
Backa 23:5, bygg 1	Hisings Backa	Exportgatan 14-16	1992	540	9,801
Backa 23:5, bygg 2	Hisings Backa	Exportgatan 14-16	0	0	6,373
Backa 97:10	Hisings Backa	Exportgatan 43	1979	48,873	8,254
Barnarps-Kråkebo 1:44	Jönköping	Möbelvägen 39	1991	88,285	18,147
Högsbo 21:2	Västra Frölunda	J A Pripps gata 2	1978	298,138	47,377
Källbäckeryd 1:408	Bråmhult	Tvinnargatan 17	1990	4,580	542
Tappen 1	Borås	Lamellgatan 1	1984	15,568	2,733
Vindtunneln 1	Borås	Vevgatan 18	2002	69,011	10,755
Ädelmetallen 1	Jönköping	Industrigatan 7	1976	53,798	7,428
Älghunden 3	Jönköping	Muttervägen 3	1983	13,212	1,783
Ättehögen 2	Jönköping	Herkulesvägen 56	1987	24,825	3,676
Total, Region Gothenburg				616,830	116,869
Arnulf Öfverland 1	Kristianstad	Estrids väg 2	1992	4,113	715
Bronsringen 1, 3	Oxie	Bronsgjutaregatan 4	2008	45,159	7,430
Hästthagen 4	Helsingborg	Landskronav. 5, 7 A-E	2005	124,450	17,848
Konen 5	Halmstad	Kristinehedsvägen 10	2011	4,586	1,047
Kopparverket 11	Helsingborg	Stormgatan 11	2007	96,000	6,886
Kroksabeln 17	Helsingborg	Muskötgatan 11	1971	18,776	2,741
Köpingegården 1	Helsingborg	Trintegatan 10, 13	2004	59,196	18,171
Köpingegården 1, SRS 2	Helsingborg	Trintegatan 15	0	0	7,266
Lejonet 6	Åstorp	Bangatan 7	1973	2,401	908
Lejonet 7	Åstorp	Bangatan 9A	1995	8,232	2,674
Remmen 1	Åstorp	Ji-Te gatan 9/Persbogatan 1-3	1985	10,569	3,103
Släggan 1	Ljungby	Kånnavägen 40	1964	4,004	1,140
Terminalen 3	Malmö	Terminalgatan 7	2222	0	12,132
Terminalen 4	Malmö	Terminalgatan 5	1979	14,111	2,348
Total, Region Öresund				391,597	84,410
Stora Frösunda 2 m fl	Solna	Frösundaleden 4	1972	226,000	27,004
Total, Projekt Solna				226,000	27,004
Total				2,189,393	419,259

Contractual rent, SEK T	Logistics, sq.m.	Office, sq.m.	Retail, sq.m.	Warehouse/ Industrial, sq.m.	Other, sq.m.	Total, sq.m.
523	0	220	950	148	0	1,318
4,001	4,715	901	0	0	0	5,616
11,305	23,351	619	0	0	0	23,970
8,422	18,720	880	0	0	0	19,600
1,623	2,155	300	0	0	0	2,455
926	12,089	0	0	0	0	12,089
7,380	7,785	1,100	0	0	0	8,885
12,237	0	0	0	0	186	186
26,322	22,802	2,520	0	0	0	25,322
19,782	47,639	661	0	0	0	48,300
7,857	14,062	1,064	0	0	0	15,126
0	0	0	0	0	0	0
39	0	462	0	11,695	0	12,157
711	0	200	0	1,250	0	1,450
764	0	159	218	1,050	0	1,427
8,230	25,000	850	0	0	0	25,850
2,371	0	450	0	2,190	0	2,640
30,390	52,400	2,855	0	0	0	55,255
13,460	20,936	589	0	0	1,715	23,240
4,687	0	1,357	1,986	2,056	0	5,399
763	0	126	898	488	0	1,512
720	0	115	1,215	0	0	1,330
162,513	251,654	15,428	5,267	18,877	1,901	293,127
9,801	0	2,575	0	4,805	279	7,659
6,173	0	0	0	7,300	0	7,300
8,254	11,965	1,470	0	0	0	13,435
7,280	33,146	980	0	0	0	34,126
44,487	6,013	2,491	0	55,378	951	64,833
542	0	154	283	810	0	1,247
2,614	0	243	0	5,348	109	5,700
8,755	15,030	1,867	0	0	0	16,897
5,553	20,362	395	0	0	0	20,757
1,723	0	333	0	3,135	270	3,738
523	1,200	764	0	6,745	0	8,709
95,706	87,716	11,272	283	83,521	1,609	184,401
715	0	130	725	895	0	1,750
7,430	0	690	0	2,450	2,010	5,150
16,750	31,841	4,513	0	2,111	16	38,481
1,047	0	0	0	727	0	727
6,886	26,600	0	0	0	0	26,600
1,405	0	741	0	6,648	27	7,416
18,171	19,930	4,442	0	0	150	24,522
7,266	13,785	618	0	0	0	14,403
908	0	285	0	1,500	0	1,785
2,674	0	365	0	3,259	0	3,624
2,209	0	976	0	5,434	0	6,410
1,140	6,700	200	0	0	0	6,900
12,132	25,000	8,300	0	0	0	33,300
2,345	1,010	264	0	0	16	1,290
81,079	124,866	21,524	725	23,024	2,219	172,358
26,426	39,991	732	0	0	0	40,723
26,426	39,991	732	0	0	0	40,723
365,723	504,227	48,956	6,275	125,422	5,729	690,609

Follow Catena all year long

Notification of General Meeting

Time and location:

The Annual General Meeting (AGM) of Catena AB (publ) will be held on Tuesday, 6 May 2013, at 4:00 p.m. at the IVA Conference Centre, Grev Turegatan 16 in Stockholm, Sweden.

Entitlement to participate

To be entitled to participate at the AGM, shareholders must be registered in the share register maintained by Euroclear Sweden AB (formerly VPC AB) not later than 29 April. Shareholders who have registered their shares with a trustee must have temporarily re-registered the shares under their own name not later than the above date. Any such registration should be requested in good time ahead of the AGM at the party holding the shares in trust.

Notification

Notification of participation in the AGM must be made not later than April 29, 2:00 p.m. via e-mail to ulrika.holmer@catenafastigheter.se. Notification can also be provided by telephone on +46 (0) 730 70 22 46 or by letter to Catena AB (publ), General Meeting, Box 1041, SE-262 21 Ängelholm, Sweden.

In the notification, shareholders should provide their name, personal identity number/ corporate registration number, address, telephone number, any assistants and the number of shares. Any proxies should be made in writing

and submitted not later than at the AGM. Proxy forms are available at www.catenafastigheter.se, from the head office in Ängelholm and will be sent to shareholders on request. It is advantageous for any participant planning to attend with the support of a proxy, certificate of incorporation or other certificates of authorisation to submit such documentation in good time ahead of the AGM to Catena AB.

Dividend

In the long-term, Catena's dividends should amount to 50% of profit from property management less standard rate tax. The Board of Directors will propose a dividend of SEK 2.00 (1.00) per share to the AGM. In total, SEK 51 M will be distributed, including the shares in the newly completed placement in conjunction with the property acquisition in March 2014. This corresponds to 44% of profit from property management after standard rate tax.

Reporting calendar for 2014

6 May 2014	Interim report January–March 2014
6 May 2014	2014 Annual General Meeting
8 July 2014	Interim report January–June 2014
7 November 2014	Interim report January–September 2014
26 February 2015	2014 year-end report

Follow us on the Web

All financial information, stock exchange notices, etc. are published on an ongoing basis at www.catenafastigheter.se.

Catena AB is a Swedish public limited-liability company. The company is incorporated and registered under Swedish law with the company name Catena AB (publ) and the corporate registration number 556294-1715. The company has its registered office in Solna, Sweden. Catena's annual report is available in Swedish and English with the Swedish version as the official version. The Annual Report is published on the company's website (www.catenafastigheter.se) from 1 April 2014. Printed versions are sent to shareholders and other stakeholders on request.

The Administration Report comprises pages 10-49. The financial reports comprise the pages 50-87 and were prepared in accordance with IFRS. All amounts are stated in SEK M unless otherwise specified. The figures in parenthesis pertain to 2012 unless otherwise stated.

Market information is based on Catena's assessment unless another source is specified. Assessments are based on the highest quality of data available at the time of preparing the Annual Report. This report also contains forward-looking statements. Even if Catena's management assess these statements as reasonable, no guarantees can be provided that these expectations will prove correct. Accordingly, actual future results can vary compared with what is shown in the forward-looking statements depending on, items including, changing conditions for the economy, market and competition, changes in the regulatory environment and other government actions as well as fluctuations in exchange rates and other factors. For financial and operational definitions, please refer to page 91.

Addresses

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CATENA

Catena's mission is to own, effectively manage and proactively develop properties in prime locations that offer the potential to generate a steadily growing cash flow and favourable value growth.

Catena's overriding goal, based on its focused orientation, is to give shareholders a favourable long-term total return. Catena AB is listed on the NASDAQ OMX Stockholm exchange.